

PAYROLL REPORTING PROCEDURES

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PAYROLL REPORTING ELEMENTS

All elements involved in a payroll entry are identified and explained in this part. The same elements are used for all payroll reporting methods in essentially the same way.

The chart *Payroll Reporting Element Relationships* in this section shows the relationship among the payroll reporting elements based on the type of contributions being reported.

CONTRIBUTION AMOUNT

“Contribution Amount” is the monetary amount of contributions to be posted to the member’s account for each payroll entry. Survivor contributions are reported as a separate element.

The element is a positive or negative numeric value up to six digits in length (e.g., \$1,350.00). For a description of how normal member contributions are calculated, see “Basic Contribution Calculation” (this section).

CONTRIBUTION CODE

“Contribution Code” is a 2-digit numeric code that identifies the type of contributions being reported. It is the key to each payroll transaction. Only the following codes in the chart below may be used.

Please note that only contribution codes 01, 11, 03, and 13 will generate service credit for the member.

CONTRIBUTION RATE

“Contribution Rate” is the percentage used to calculate the contribution amount (along with member earnings and a social security modification factor, if applicable). It is a 4-digit positive numeric value (e.g., report seven percent as 0700).

Contribution rate is found in the Annual Employer Statement. If an employer pays any portion of the member’s contributions, the total percentage due, not just the amount the member pays, should be used for this element.

| CONTRIBUTION CODES | | |
|---|-----------|---|
| After Tax+ | Pre-Tax++ | |
| 01 | 11 | Normal Current Contributions |
| 02 | 12 | Prior Period Contribution Adjustment |
| 03 | 13 | Prior Period Earnings Adjustment |
| 04 | 14** | Contribution Receivable* |
| 05 | 15 | Retroactive Salary Adjustment |
| 06 | 16 | Special Compensation |
| 07 | — | Prior Period Survivor Contribution Adjustment |
| 08*** | — | Employee-Paid Additional Contributions |
| 09*** | — | Employer-Paid Additional Contributions |
| <p>+ The member pays their own contributions.</p> <p>++ The member pays their own contributions, but the employer has adopted the IRC 414(h)(2) resolution that is on file with CalPERS which allows the member contributions to be reported on a tax deferred basis; OR the employer pays the member contributions and the EPMC resolution is on file with CalPERS.</p> <p>* Do not withhold contributions until instructed by CalPERS.</p> <p>** Agency must file a resolution with CalPERS prior to reporting pre-tax contributions receivable. See page 84 in this manual for “Pre-tax payroll deduction plan for service credit purchase”.</p> <p>*** Must be established prior to July 1, 1983.</p> | | |

COVERAGE GROUP

“Coverage Group” is a 5-digit numeric code which is assigned by CalPERS to identify a specific group of employees within an agency. Coverage groups are uniquely assigned for each agency. Refer to the Annual Employer Statement for the coverage groups applicable to your agency. Only the coverage groups shown on the Annual Employer Statement or contract will be accepted on payroll reports to CalPERS.

MEMBER EARNINGS

“Member Earnings” is compensation earnable that a member is paid for services only during normal working hours. See “General Information for All Reporting Methods” in the “Compensation Review Procedures” section for description of compensation to be reported to CalPERS. The element is a positive (or negative) numeric value up to seven digits in length, e.g., \$10,500.00.

MEMBER NAME

“Member Name” identifies the member’s last name, initial of first name, and initial of middle name. The member’s last name must be at least two alpha characters in length and cannot exceed ten characters in length. Member’s first initial must be one alpha character in length. Member’s middle initial must be either one alpha character or blank. Member’s name should be arranged in alphabetical order within each unit on your payroll.

PAY CODE

“Pay Code” is a 2-digit numeric code that designates the wage base on which a member is paid. It must be one of the following:

| | |
|----|---|
| 01 | Monthly Pay Rate |
| 04 | Hourly Pay Rate |
| 08 | Daily Pay Rate |
| 09 | Miscellaneous Pay Rate (for reporting special compensation only) |

WORK SCHEDULE CODE

“Work Schedule Code” is a 3-digit numeric code, used in calculating both employer rate and the member’s retirement benefit. It identifies

what you, the employer, consider to be full-time employment for employees in the same work group, such as by department or duties, but not by individual employee. Approved work schedule codes range from 34 to 60 hours per week. A work schedule code that is below 34 hours, or above 60 hours, must be submitted by resolution to Payroll for CalPERS Board of Administration approval. The work schedule code typically will not vary from report to report. The work schedule code must be reported for all payroll entries using contribution codes 01, 11, 03 and 13.

WORK SCHEDULE CODE EXAMPLES

The monthly, hourly, or daily pay code used for the payroll entry determines how you translate full-time employment into the appropriate work schedule code.

Monthly — 01

Use the following formula to determine the work schedule code for a full-time monthly paid employee:

$$\frac{\# \text{ hours per week} \times 52 \text{ weeks per year}}{12 \text{ months per year}}$$

1. Your full-time 40 hours per week paid employees work an average of 173 hours per month

$$\frac{40 \text{ hours per week} \times 52 \text{ weeks per year}}{12 \text{ months per year}} = 173$$

2. Your full-time 35 hours per week paid employees work an average 152 hours per month

$$\frac{35 \text{ hours per week} \times 52 \text{ weeks per year}}{12 \text{ months per year}} = 152$$

NOTE:

When using monthly work schedule codes always round to the nearest whole number.

Hourly — 04

1. Your full-time hourly paid employees work an average of 40 hours per week = 400

2. Your full-time hourly paid employees work an average of 37.5 hours per week = 375

Daily — 08

1. Your full-time daily paid employees work an average of 5 days per week = 050

2. Your full-time daily paid employees work an average of 4.5 days per week = 045

NOTE:

A decimal point is implied between the second and third position of hourly and daily work schedule codes.

Miscellaneous — 09

Work schedule code is NEVER required.

The chart below shows the most common work schedule codes employers report to CalPERS.

| Reporting Frequency | Pay Code | Time Worked | Work Schedule Code |
|---------------------|----------|-------------|--------------------|
| Monthly | 01 | 40 hours | 173 |
| | | 35 hours | 152 |
| Hourly | 04 | 40 hours | 400 |
| | | 37.5 hours | 375 |
| | | 56 hours | 560 |
| Daily | 08 | 5 days | 050 |
| | | 4.5 days | 045 |

A complete list of work schedule codes for full-time employees is in Appendix A. Contact the CalPERS Customer Contact Center at **888 CalPERS** (or 888-225-7377) if you have questions about work schedule codes.

PART-TIME EMPLOYEES

A part-time employee's work schedule code is based on what is considered full-time employment for employees in the same work group.

For example, your part-time hourly paid employee works an average of 20 hours per week but may work more hours as needed. If employees in the same group are allowed to work up to 40 hours per week, then the work schedule code is 400 (not 200).

NOTE:

Council Members and City Attorneys would have the same work schedule code as the regular full-time employees within your agency even if their pay is based on the number of meetings they attend.

PAY RATE

"Pay Rate" is the normal monthly rate of pay or base pay of the member, paid in cash to similarly situated members of the same group or class of employment for services rendered on a full time basis during normal working hours. It can be an hourly, daily, or monthly rate.

Always use the member's FULL-TIME pay rate.

The pay rate must be a positive numeric value and cannot exceed eight digits in length (e.g., 99999.999). CalPERS requires that pay rates be reported with three places after the decimal. For example:

- An hourly rate of \$8.70 and one-half would be reported as 8.705.
- A daily rate of \$60.00 would be reported as 60.000.

For further information on reporting pay rates, see 'Pay Rate/Earnings Relationship' in this section.

SERVICE PERIOD

"Service Period" is a 5-digit numeric code that identifies the month, year, and type of payroll period for which the transaction is being reported.

- The first two digits of the service period identify the month in which the service period ends. The ending date is the last date of service for which compensation was earned, regardless of the date the actual salary payment was made.
 - a. Monthly report for April 2010 (service period ends in April) 04-10-0
 - b. Bi-weekly report for period September 18 through October 1, 2010 (last day of service period determines month of the report) 10-10-3
- The third and fourth digits identify the year in which the service period ends. Only the last two digits of the year are used.
 - a. Monthly report for December 2010 (service period ends in 2010) 12-10-0

- The fifth digit indicates the frequency of the payroll report and the chronological sequence within the month. All payroll reports to CalPERS must be submitted under one of the following types:

| NUMBER OF PAYROLL | | | |
|-------------------|---------------------------|-----------|---|
| Frequency | # of Payroll Periods/Year | Type Code | Description |
| Monthly | 12 | 0 | Monthly |
| Semi-monthly | 24 | 1 | First half of month (1st through 15th) |
| | | 2 | Second half of the month (16th through the end of the month) |
| Bi-weekly | 26 | 3 | First report in the month (ending on the 1st through the 14th) |
| | | 4 | Second report in the month (ending on the 15th through the 28th) |
| | | 5 | Third report in the month (occurs whenever service period ending dates are 29, 30, or 31) |
| Quadri-weekly | 13 | 6 | First report in the month (ending on the 1st through the 28th) |
| | | 7 | Second report in the month (occurs whenever the service period ending dates are 29, 30 or 31) |

NOTE:

Changes in the frequency in which payroll reports are submitted must be approved by CalPERS in advance. If you have questions regarding changing payroll frequencies, contact the CalPERS Customer Contact Center at **888 CalPERS** (or **888-225-7377**).

PAYROLL FREQUENCY / EMPLOYER PROFILE

To find out what payroll frequency CalPERS is showing for your agency and validate reporting dates, please select this link or copy and paste into your Internet browser:

<http://www.calpers.ca.gov/index.jsp?bc=/employer/admin-rptg/pyrl-contribs/home.xml>

For more information, please contact the CalPERS Customer Contact Center at **888 CalPERS** (or **888-225-7377**).

SOCIAL SECURITY NUMBER

“Social Security Number” must be a positive numeric value nine digits in length. It must be present on all transactions because it is used as the major source of member identification. Verify the Social Security Number with the Social Security card or the **Member Action Request Form** (PERS-AESD-1). Social Security Numbers beginning with 8 or 9 are invalid and will not be accepted.

In the event the Social Security Number was reported incorrectly on the PERS-AESD-1 and correspondingly on the payroll reports, notify the Customer Service and Outreach Division. Include in the correspondence the incorrect number, the correct number, the member's name, and a copy of the member's Social Security card.

If membership was established with the correct number, but an incorrect number has been reported on the payroll reports for one or more service periods, begin using the correct number on the next payroll report.

Notify the CalPERS Customer Contact Center at **888 CalPERS** (or **888-225-7377**).

SURVIVOR CONTRIBUTION

“Survivor Contribution” is the amount of contribution a member pays for the 1959 Survivor Benefit. Refer to the Annual Employer Statement to determine if the member has this benefit. Members covered by the 1959 Survivor Benefit contribute the following amounts based on the reporting frequency:

| Reporting Frequency | Contribution Each Service Period | |
|---------------------|----------------------------------|------------------|
| | Index Level | All Other Levels |
| Monthly | \$2.90 | \$2.00 |
| Semi-Monthly | \$1.45 | \$1.00 |
| Bi-weekly | \$1.34 | \$0.93 |
| Quadri-weekly | \$2.68 | \$1.86 |

When the member is covered, the survivor contribution should always be shown as a 3-digit numeric value. It may be positive or negative depending on the circumstances.

The 1959 Survivor Benefit provides for a survivor benefit upon death of the member before retirement. In most cases, a member does not have both 1959 Survivor Benefit coverage and Social Security coverage with a single employer. Contact the CalPERS Customer Contact Center if you have questions.

The full amount of survivor contribution is due for a service period even if only one day's earnings are reported. Make only one deduction each service period. The contribution is not due on retroactive salary adjustments or special compensation entries (Contribution Codes 05, 15, 06 or 16).

If a member does not receive any compensation for a service period because of an official leave of absence, no contribution is due for that service period.

Entries adjusting the survivor contributions should be included as part of the current entries or prior period earnings adjustment entries (Contribution Codes 01, 11, 03, and 13). If adjustments are more than \$9.99, additional adjustments may be made on a separate entry using Contribution Code 07.

The survivor contribution is not credited to the member's account and is not refundable.

UNIT CODE

“Unit Code” identifies a group or unit of employees within an employer. If used, it must be three numeric digits and must be reported consistently for a member. When a member transfers to a new unit code within an employer, begin reporting the new unit code on the next payroll report.

Unit codes can provide easier member identification and payroll balancing. A separate unit code for each of the following groups should be used:

1. Elected/Appointed Officials
2. Trial Court Employees (Unit Code 888)

Unit Code may also be used to distinguish employees as follows:

1. Coverage groups (when more than one is used)
2. Employees hired to work less than 40 hours per week (work schedule code should reflect this also)
3. Employees hired to work more than 40 hours per week (change work schedule code)
4. Employees with unusual/irregular duties

The Unit Code is optional for all employers except county schools. County schools must use the unit codes found in the Annual Employer Statement.

PAYROLL REPORTING ELEMENT RELATIONSHIPS

The following chart shows the relationship among the various elements used in a payroll entry. By referring to the Contribution Code column, you can identify which elements are required, which elements cannot be used, which are optional, and which are restricted to certain values.

| Transaction Type | ELEMENT NAME | | | | | | | | | | | | | |
|--|-------------------|------------------------|-------------|----------------|----------------|----------|----------|-----------------|-------------------|-----------------------------------|------------------------------|--------------------|-----------|---|
| | Contribution Code | Social Security Number | Member Name | Coverage Group | Service Period | Pay Code | Pay Rate | Member Earnings | Contribution Rate | Normal Member Contribution Amount | Survivor Contribution Amount | Work Schedule Code | Unit Code | Tax Deferred Member Contribution Amount |
| Normal Current Contribution | 01, 11 | | | | A | E | | | | J | L | M | N | O |
| Prior Period Contrib. Adjustment | 02, 12 | | | | B | | | | | J | | | N | O |
| Prior Period Earn. Adjustment | 03, 13 | | | | C | E | | | | J | L | M | N | O |
| Contribution Receivable | 04, 14 | | | | D | | | | | J | | | N | O |
| Retroactive Salary Adjustment | 05, 15 | | | | C | E | G | | | K | | | N | O |
| Special Compensation | 06, 16 | | | | D | F | H | I | | J | | | N | O |
| Prior Period Surv. Contrib. Adjustment | 07 | | | | B | | | | | | L | | N | |
| Employee-paid Addl Contribution | 08 | | | | A | | | | | | | | N | |
| Employer-paid Addl Contribution | 09 | | | | A | | | | | | | | N | |

- ☐ This element is mandatory.
- ☐ This element must be blank or zero.
- ☐ **A** Agencies reporting with diskette or magnetic tape must enter the current service period. Agencies reporting by pre-list must leave service period blank.
- ☐ **B** All agencies, regardless of reporting media, must enter a non-current service period.
- ☐ **C** All agencies, regardless of reporting media, must enter a non-current service period.
- ☐ **D** All agencies reporting with diskette or magnetic tape must enter either the current or a previous service period, depending on the circumstances. Agencies reporting by pre-list must leave service period blank if the entry pertains to the current service period, and must enter any non-current service periods.
- ☐ **E** Pay code is required but *cannot be* 09.
- ☐ **F** Pay code is required and *must be* 09.
- ☐ **G** Pay rate is required and it must be the *new* pay rate.
- ☐ **H** Pay rate is required and it must equal earnings.
- ☐ **I** Earnings are required and must equal pay rate.
- ☐ **J** This element is to be used for the portion of member contributions paid by the member that is not tax deferred.*
- ☐ **K** The general rule for reporting entries with contribution code 05 or 15 is that the earnings are not to be modified for Social Security coverage.
- ☐ **L** This element is to be used only by those employers which have the 1959 Survivor Benefit coverage contained in their contract.
- ☐ **M** This element is mandatory for all members when the pay code is 01, 04, or 08. When the pay code is 09, it cannot be reported.
- ☐ **N** This element is mandatory for all school employers and is optional for all other employers. When payroll unit codes are used by an employer, they must be used on each entry.
- ☐ **O** This element is to be used for the portion of member contributions paid by the employer, or for the contributions paid by the member which are tax deferred.

*Contribution amount (i.e., the total member contributions paid by the member and/or the employer) must be correct for the member's total earnings reported. This means that when a member has multiple entries for a particular service period, the earnings for all entries applicable to that service period must be added together before any modification factor is applied. For example, if an entry being made for this service period is adjusting an entry for a previous service period, 1) add earnings now being reported to earnings in the previous entry; 2) subtract the Social Security modification factor (if it applies); 3) multiply the result by the member's contribution rate; 4) report any amount of contributions due that were not reported in the previous entry in the appropriate normal member paid or tax deferred member column.

SELECTING AND REPORTING CONTRIBUTION CODES

The contribution code is the key to identifying which payroll reporting elements are necessary for a payroll entry. This section provides definitions and examples of each contribution code to enable you to determine which contribution code to use and how to make the payroll entry for that code.

Contribution codes with “0” as the first digit designate member normal (after tax) contributions. Codes with “1” as the first digit designate tax deferred (pre-tax) contributions paid by the member or employer.

CONTRIBUTION CODES 01 AND 11 — NORMAL CURRENT CONTRIBUTIONS

Contributions paid by the member or employer on their normal regular earnings, for the current service period.

Example 1: John A. Williams earns \$2000.00 per month and pays his own tax deferred member contributions. Report his normal regular monthly earnings as follows:

| SSN | Member Name | | | Coverage Group | Service Period | | | Pay Code | Pay Rate | Member Earnings | Member Paid Contribution | | | Survivor Contrib. Amount | Work Schedule Code | Unit Code | Tax Deferred Member Contribution | |
|-------------|-------------|---|---|----------------|----------------|------|------|----------|-----------|-----------------|--------------------------|------|--------|--------------------------|--------------------|-----------|----------------------------------|--------|
| | Last Name | F | M | | Mo | Year | Type | | | | Rate | Code | Amount | | | | Code | Amount |
| 000-00-0000 | Williams | J | A | 70001 | 07 | 10 | 0 | 01 | 2,000.000 | 2,000.00 | 0.0700 | 00 | .00 | 0 | 173 | 000 | 11 | 140.00 |

If a person receives a salary increase or decrease during the current service period, both pay rates must be reported. This will require two line entries, reporting the proper amount earned under each pay rate.

Example 2: John receives a pay increase of \$200.00 effective in the middle of the next monthly service period. To ensure full crediting of service, report this mid-service period pay raise using two entries as follows:

| SSN | Member Name | | | Coverage Group | Service Period | | | Pay Code | Pay Rate | Member Earnings | Member Paid Contribution | | | Survivor Contrib. Amount | Work Schedule Code | Unit Code | Tax Deferred Member Contribution | |
|-------------|-------------|---|---|----------------|----------------|------|------|----------|-----------|-----------------|--------------------------|------|--------|--------------------------|--------------------|-----------|----------------------------------|--------|
| | Last Name | F | M | | Mo | Year | Type | | | | Rate | Code | Amount | | | | Code | Amount |
| 000-00-0000 | Williams | J | A | 70001 | 07 | 10 | 0 | 01 | 2,000.000 | 1,000.00 | 0.0700 | 00 | .00 | 0 | 173 | 000 | 11 | 70.00 |
| 000-00-0000 | Williams | J | A | 70001 | 07 | 10 | 0 | 01 | 2,200.000 | 1,100.00 | 0.0700 | 00 | .00 | 0 | 173 | 000 | 11 | 77.00 |

CONTRIBUTION CODES 02 AND 12 — PRIOR PERIOD CONTRIBUTION ADJUSTMENT

An adjustment is necessary to correct an error on a member's contribution amount when either an incorrect rate was applied or an error in calculation was made.

A single contribution code 02 or 12 entry can be used to correct contribution errors for more than one service period by entering the earliest service period being adjusted. Should CalPERS discover the error; the employer will be requested to make the adjustment on the next payroll report. Should the employer discover the error, the adjustment should be made on the next payroll report without waiting for notification from CalPERS.

There are two ways to use contribution code 02 or 12.

Example 1: To report contributions incorrectly calculated:

Karen M. Wong's contributions for the second semi-monthly June 2010 service period were calculated incorrectly; an overpayment of \$9.50 was made. Karen pays all of the tax deferred member contributions. Correct this overpayment as follows:

| SSN | Member Name | | | Coverage Group | Service Period | | | Pay Code | Pay Rate | Member Earnings | Member Paid Contribution | | | Survivor Contrib. Amount | Work Schedule Code | Unit Code | Tax Deferred Member Contribution | |
|-------------|-------------|---|---|----------------|----------------|------|------|----------|----------|-----------------|--------------------------|------|--------|--------------------------|--------------------|-----------|----------------------------------|--------|
| | Last Name | F | M | | Mo | Year | Type | | | | Rate | Code | Amount | | | | Code | Amount |
| 000-00-0000 | Wong | K | M | 70001 | 06 | 10 | 2 | 00 | .000 | .00 | | 00 | .00 | 0 | 000 | 000 | 12 | -9.50 |

Example 2: Contributions reported in the wrong field (Normal (After Tax) or Tax Deferred Member Contributions (TDMC))

An adjustment is necessary to correct member contributions previously reported in error as normal (after tax) member contributions or as tax deferred contributions. Should the employer discover the error, use the following examples to correct the member account. A single entry (not to exceed \$9,999.99) using contribution codes 02 and 12 can be used to correct contributions reported in the wrong field for more than one service period.

James T. Sullivan's contributions were tax deferred beginning with the 07/2009/3 bi-weekly pay period. However, they were reported as member normal (after tax) contributions totaling \$1,860.00. The employer did not discover the error until the 07/2010/3 payroll was being prepared. Correct the 07/2009/3 through 06/2010/4 service periods as follows:

| SSN | Member Name | | | Coverage Group | Service Period | | | Pay Code | Pay Rate | Member Earnings | Member Paid Contribution | | | Survivor Contrib. Amount | Work Schedule Code | Unit Code | Tax Deferred Member Contribution | |
|-------------|-------------|---|---|----------------|----------------|------|------|----------|----------|-----------------|--------------------------|------|----------|--------------------------|--------------------|-----------|----------------------------------|---------|
| | Last Name | F | M | | Mo | Year | Type | | | | Rate | Code | Amount | | | | Code | Amount |
| 000-00-0000 | Sullivan | J | T | 70001 | 07 | 09 | 3 | 00 | .000 | .00 | | 02 | -1860.00 | 0 | 000 | 000 | 12 | 1860.00 |

Selecting and Reporting Contribution Codes

The same entry would be used to correct prior period contributions reported in error as tax deferred when they were actually normal (after tax) member contributions from the 07/2009/3 through 06/2010/4 bi-weekly service periods for Edith R. Johnson, as shown in the example below.

| SSN | Member Name | | | Coverage Group | Service Period | | | Pay Code | Pay Rate | Member Earnings | Member Paid Contribution | | | Survivor Contrib. Amount | Work Schedule Code | Unit Code | Tax Deferred Member Contribution | |
|-------------|-------------|---|---|----------------|----------------|------|------|----------|----------|-----------------|--------------------------|------|----------|--------------------------|--------------------|-----------|----------------------------------|-----------|
| | Last Name | F | M | | Mo | Year | Type | | | | Rate | Code | Amount | | | | Code | Amount |
| 000-00-0000 | Johnson | E | R | 70001 | 07 | 09 | 3 | 00 | .000 | .00 | | 02 | 1,680.00 | 0 | 000 | 000 | 12 | -1,680.00 |

CONTRIBUTION CODES 03 AND 13 — PRIOR PERIOD EARNINGS ADJUSTMENT

Member earnings reported in arrears and adjustments to correct pay rates and/or earnings previously reported in error, or to report an entry with a different service period type (i.e., monthly paid elected officials on a bi-weekly report).

When contribution code 03 or 13 is used to report corrections for more than one service period, you must use a separate entry for each service period so that CalPERS can properly credit service to a member's account.

A non-current service period must be entered for every code 03 or 13 transaction.

There are three ways to use contribution code 03 or 13.

Example 1: To report earnings in arrears, i.e., when a member was erroneously omitted from a previous payroll report. Enter the transaction as it should have read, using the correct previous service period and contribution code 03 or 13.

Barry Myers began working June 1, 2010, but was not included on the June 2010 monthly payroll report. Barry's employer pays his entire tax deferred member contributions. Report his earnings as follows:

| SSN | Member Name | | | Coverage Group | Service Period | | | Pay Code | Pay Rate | Member Earnings | Member Paid Contribution | | | Survivor Contrib. Amount | Work Schedule Code | Unit Code | Tax Deferred Member Contribution | |
|-------------|-------------|---|---|----------------|----------------|------|------|----------|----------|-----------------|--------------------------|------|--------|--------------------------|--------------------|-----------|----------------------------------|--------|
| | Last Name | F | M | | Mo | Year | Type | | | | Rate | Code | Amount | | | | Code | Amount |
| 000-00-0000 | Myers | B | P | 70001 | 06 | 10 | 0 | 04 | 15.000 | 2,600.00 | 0.0700 | 00 | .00 | 0 | 400 | 000 | 13 | 182.00 |

Example 2: To correct pay rate and earnings or Coverage Group or an entire entry that was previously reported in error.

Enter the original transaction including the original service period, but use contribution codes 03 or 13 and report member earnings, contribution amount and survivor contribution as negative amounts. This removes the incorrect entry. Now enter the correct transaction, again using the original service period and contribution code 03 or 13. If a non-member was reported in error, reverse out the original entry and stop there.

Maria R. Santos was reported incorrectly for the first bi-weekly January 2010 service period as a miscellaneous member (coverage group code 70001). She became a police officer on January 1, 2010 (coverage group code 75001). Member contributions are paid by the member for miscellaneous service but paid by the employer for police officers. Correct this error as follows:

| SSN | Member Name | | | Coverage Group | Service Period | | | Pay Code | Pay Rate | Member Earnings | Member Paid Contribution | | | Survivor Contrib. Amount | Work Schedule Code | Unit Code | Tax Deferred Member Contribution | |
|-------------|-------------|---|---|----------------|----------------|------|------|----------|-----------|-----------------|--------------------------|------|--------|--------------------------|--------------------|-----------|----------------------------------|--------|
| | Last Name | F | M | | Mo | Year | Type | | | | Rate | Code | Amount | | | | Code | Amount |
| 000-00-0000 | Santos | M | R | 70001 | 01 | 10 | 3 | 01 | 3,000.000 | -1384.62 | 0.0700 | 03 | -96.92 | -0.93 | 173 | 100 | 00 | .00 |
| 000-00-0000 | Santos | M | R | 75001 | 01 | 10 | 3 | 01 | 3,000.000 | 1,384.62 | 0.0900 | 00 | .00 | 0.93 | 173 | 200 | 13 | 124.62 |

Example 3: To increase or decrease the amount of earnings previously reported.

This method is used to correct earnings and contribution amount. (If the pay rate, service period and/or coverage group code needs to be corrected, use method in example 2.) Make an entry which includes the original service period, coverage group code, and pay rate; report the difference in earnings and contributions using contribution code 03 or 13. Multiply earnings by contribution rate to get the correct contribution amount.

Janice Brown was reported with earnings of \$1,250.00 for the first semi-monthly January 2010 service period. In February it was discovered that she was docked and her earnings for this January service period should have been \$1,000.00. Janice's employer pays half of her member contributions. The original payroll entry was:

| SSN | Member Name | | | Coverage Group | Service Period | | | Pay Code | Pay Rate | Member Earnings | Member Paid Contribution | | | Survivor Contrib. Amount | Work Schedule Code | Unit Code | Tax Deferred Member Contribution | |
|-------------|-------------|---|---|----------------|----------------|------|------|----------|-----------|-----------------|--------------------------|------|--------|--------------------------|--------------------|-----------|----------------------------------|--------|
| | Last Name | F | M | | Mo | Year | Type | | | | Rate | Code | Amount | | | | Code | Amount |
| 000-00-0000 | Brown | J | | 70001 | 01 | 10 | 1 | 01 | 2,500.000 | 1,250.00 | 0.0700 | 01 | 43.75 | 0 | 173 | 100 | 11 | 43.75 |

The correcting contribution codes 03 and 13 entry on the February payroll should be:

| SSN | Member Name | | | Coverage Group | Service Period | | | Pay Code | Pay Rate | Member Earnings | Member Paid Contribution | | | Survivor Contrib. Amount | Work Schedule Code | Unit Code | Tax Deferred Member Contribution | |
|-------------|-------------|---|---|----------------|----------------|------|------|----------|-----------|-----------------|--------------------------|------|--------|--------------------------|--------------------|-----------|----------------------------------|--------|
| | Last Name | F | M | | Mo | Year | Type | | | | Rate | Code | Amount | | | | Code | Amount |
| 000-00-0000 | Brown | J | | 70001 | 01 | 10 | 1 | 01 | 2,500.000 | -250.00 | 0.0700 | 03 | -8.75 | 0 | 173 | 100 | 13 | -8.75 |

Or, the entire incorrectly reported entry may be reversed and reported correctly as follows:

| SSN | Member Name | | | Coverage Group | Service Period | | | Pay Code | Pay Rate | Member Earnings | Member Paid Contribution | | | Survivor Contrib. Amount | Work Schedule Code | Unit Code | Tax Deferred Member Contribution | |
|-------------|-------------|---|---|----------------|----------------|------|------|----------|-----------|-----------------|--------------------------|------|--------|--------------------------|--------------------|-----------|----------------------------------|--------|
| | Last Name | F | M | | Mo | Year | Type | | | | Rate | Code | Amount | | | | Code | Amount |
| 000-00-0000 | Brown | J | | 70001 | 01 | 10 | 1 | 01 | 2,500.000 | -1,250.00 | 0.0700 | 03 | -43.75 | 0 | 173 | 100 | 13 | -43.75 |
| 000-00-0000 | Brown | J | | 70001 | 01 | 10 | 1 | 01 | 2,500.000 | 1,000.00 | 0.0700 | 03 | 35.00 | 0 | 173 | 100 | 13 | 35.00 |

CONTRIBUTION CODES 04 AND 14 — CONTRIBUTION RECEIVABLE

Contributions a member makes for redepositing contributions previously withdrawn, contributions for purchasing service credit, or other special instances where a receivable is necessary.

A contribution code 04 or 14 entry may ONLY be used after CalPERS has established the receivable and has sent the employer an **Authorization for Contribution and/or Rate Adjustment Form** (PERS-MEM-823A). The PERS-MEM-823A will identify:

- A) the member
- B) the date the deduction should begin
- C) the amount of the deduction
- D) the total number of payments required

The code 14 (tax deferred) entry may only be used after the employer has filed a resolution with CalPERS and the member has elected the plan.

Members may have more than one receivable deduction at any given time. Each MUST be reported as a separate transaction.

Selecting and Reporting Contribution Codes

The receivable will be included on the **Payroll Listing and Summary Report** (PERS-AESD-626). Code 04 will be included in the “member normal contributions” field and Code 14 in the “tax deferred contributions” field.

Report the receivable only in the exact amount authorized by the PERS-MEM-823A. Never combine a receivable with any other type of contribution. If it becomes necessary to report a receivable retroactively, enter the applicable service period and make a separate entry for each period. Be sure to report the receivable using the coverage group code specified on the PERS-MEM-823A.

Begin the deduction on the date shown on the PERS-MEM-823A, and continue to take deductions without interruption until all of the payments have been made. Failure to do this could result in additional cost to the member.

Example: Celia B. Williams elects to redeposit previously withdrawn CalPERS contributions. The employer has received the PERS-MEM-823A form from CalPERS authorizing a \$152.71 bi-weekly after tax payment. Report the receivable as follows:

| SSN | Member Name | | | Coverage Group | Service Period | | | Pay Code | Pay Rate | Member Earnings | Member Paid Contribution | | | Survivor Contrib. Amount | Work Schedule Code | Unit Code | Tax Deferred Member Contribution | |
|-------------|-------------|---|---|----------------|----------------|------|------|----------|----------|-----------------|--------------------------|------|--------|--------------------------|--------------------|-----------|----------------------------------|--------|
| | Last Name | F | M | | Mo | Year | Type | | | | Rate | Code | Amount | | | | Code | Amount |
| 000-00-0000 | Williams | C | B | 70001 | 07 | 10 | 3 | 00 | .000 | .00 | | 04 | 152.71 | 0 | 000 | 000 | 00 | .00 |

Example: Michael W. Rogers elects to purchase Service Prior to Membership and Military Service Credit. His employer has received two PERS-MEM-823A forms from CalPERS authorizing an \$89.56 semi-monthly tax deferred payment for the Service Prior to Membership and a \$162.58 semi-monthly tax deferred payment for the Military Service Credit. Contribution Receivables should never be combined and must be reported with separate payroll entries as follows:

| SSN | Member Name | | | Coverage Group | Service Period | | | Pay Code | Pay Rate | Member Earnings | Member Paid Contribution | | | Survivor Contrib. Amount | Work Schedule Code | Unit Code | Tax Deferred Member Contribution | |
|-------------|-------------|---|---|----------------|----------------|------|------|----------|----------|-----------------|--------------------------|------|--------|--------------------------|--------------------|-----------|----------------------------------|--------|
| | Last Name | F | M | | Mo | Year | Type | | | | Rate | Code | Amount | | | | Code | Amount |
| 000-00-0000 | Rogers | M | W | 70001 | 07 | 10 | 1 | 00 | .000 | .00 | | 00 | .00 | 0 | 000 | 000 | 14 | 89.56 |
| 000-00-0000 | Rogers | M | W | 70001 | 07 | 10 | 1 | 00 | .000 | .00 | | 00 | .00 | 0 | 000 | 000 | 14 | 162.58 |

CONTRIBUTION CODES 05 AND 15 — RETROACTIVE SALARY ADJUSTMENT

An entry for reporting contributions based on earnings received because of a retroactive salary adjustment.

A single contribution code 05 or 15 entry may be used to report a retroactive salary adjustment covering previous service periods. The service period should reflect the earliest service period involved in the adjustment. The transaction should have the member's new pay rate and the total additional earnings and contributions for the period; i.e., report the difference in earnings and contributions. When more than one pay rate is involved in the retroactive adjustment, report a single entry for each new pay rate.

No social security modification factor should be applied to retroactive salary adjustments.

Example: Richard Benson received a retroactive salary increase effective January 1, 2010. His old pay rate was \$2,200.00 monthly; his new pay rate is \$2,400.00 monthly. The current monthly service period is July 2010. Richard Benson's employer pays his entire member contributions. Report this retroactive increase with a single entry as follows:

| SSN | Member Name | | | Coverage Group | Service Period | | | Pay Code | Pay Rate | Member Earnings | Member Paid Contribution | | | Survivor Contrib. Amount | Work Schedule Code | Unit Code | Tax Deferred Member Contribution | |
|-------------|-------------|---|---|----------------|----------------|------|------|----------|----------|-----------------|--------------------------|------|--------|--------------------------|--------------------|-----------|----------------------------------|--------|
| | Last Name | F | M | | Mo | Year | Type | | | | Rate | Code | Amount | | | | Code | Amount |
| 000-00-0000 | Benson | R | T | 70001 | 01 | 10 | 0 | 01 | 2400.000 | 1,200.00 | 0.0700 | 00 | .00 | 0 | 173 | 000 | 15 | 84.00 |

CONTRIBUTION CODES 06 AND 16 — SPECIAL COMPENSATION

NOTE: The corresponding pay code "09" must be used with contribution code 06 or 16.

Contributions for special compensation items, such as additional pay for hazardous duty, bonuses, or incentives. Special compensation must be defined in CCR 571(a) and meet the criteria of CCR 571(b).

Example: Glenda Adams received a \$100.00 uniform allowance for the 07/2010/4 service period. Glenda pays her own tax deferred member contributions. Pay rate is always equal to earnings when reporting special compensation. Report the entry as follows:

| SSN | Member Name | | | Coverage Group | Service Period | | | Pay Code | Pay Rate | Member Earnings | Member Paid Contribution | | | Survivor Contrib. Amount | Work Schedule Code | Unit Code | Tax Deferred Member Contribution | |
|-------------|-------------|---|---|----------------|----------------|------|------|----------|----------|-----------------|--------------------------|------|--------|--------------------------|--------------------|-----------|----------------------------------|--------|
| | Last Name | F | M | | Mo | Year | Type | | | | Rate | Code | Amount | | | | Code | Amount |
| 000-00-0000 | Adams | G | S | 75001 | 07 | 10 | 4 | 09 | 100.000 | 100.00 | 0.0900 | 00 | .00 | 0 | 000 | 000 | 16 | 9.00 |

CONTRIBUTION CODE 07 — PRIOR PERIOD SURVIVOR CONTRIBUTION ADJUSTMENT

An adjustment necessary to correct an error in the Survivor Contribution for a member. Current Survivor Contributions should be reported with the regular line entry.

A single contribution code 07 entry may be used to correct multiple reporting errors by accumulating the Survivor Contribution amount for each service period into one total amount (not to exceed \$9.99) and entering the earliest service period being adjusted. If adjustments are more than \$9.99, additional adjustments may be made on a separate entry.

Example: Bradley L. Jones' Survivor Contributions were not reported for the May and June 2010 monthly service periods. The monthly survivor contribution amount is \$2.00. Report the contributions for both service periods as follows:

| SSN | Member Name | | | Coverage Group | Service Period | | | Pay Code | Pay Rate | Member Earnings | Member Paid Contribution | | | Survivor Contrib. Amount | Work Schedule Code | Unit Code | Tax Deferred Member Contribution | |
|-------------|-------------|---|---|----------------|----------------|------|------|----------|----------|-----------------|--------------------------|------|--------|--------------------------|--------------------|-----------|----------------------------------|--------|
| | Last Name | F | M | | Mo | Year | Type | | | | Rate | Code | Amount | | | | Code | Amount |
| 000-00-0000 | Jones | B | L | 75001 | 05 | 10 | 0 | 00 | .000 | .00 | | 07 | .00 | 4.00 | 000 | 000 | 00 | .00 |

CONTRIBUTION CODE 08* — EMPLOYEE PAID ADDITIONAL CONTRIBUTIONS

Only applies to members who have had this payment made continuously prior to July 1, 1983. It does not apply to receivables, retroactive pay increases, adjustments in contributions or special compensation.

Additional contributions are paid voluntarily by the member. No additional service is credited. These contributions cannot be tax deferred.

To make additional contributions to CalPERS, a member must have obtained authorization from CalPERS via the MEM-13 form.

Example: Laura Jensen contributes an additional \$50.00 to CalPERS each month. Report these additional contributions as follows:

| SSN | Member Name | | | Coverage Group | Service Period | | | Pay Code | Pay Rate | Member Earnings | Member Paid Contribution | | | Survivor Contrib. Amount | Work Schedule Code | Unit Code | Tax Deferred Member Contribution | |
|-------------|-------------|---|---|----------------|----------------|------|------|----------|----------|-----------------|--------------------------|------|--------|--------------------------|--------------------|-----------|----------------------------------|--------|
| | Last Name | F | M | | Mo | Year | Type | | | | Rate | Code | Amount | | | | Code | Amount |
| 000-00-0000 | Jensen | L | E | | 07 | 10 | 0 | 00 | .000 | .00 | | 08 | 50.00 | 0 | 000 | 000 | 00 | .00 |

CONTRIBUTION CODE 09* — EMPLOYER PAID ADDITIONAL CONTRIBUTIONS

Only applies to members who have had this payment made continuously prior to July 1, 1983. It does not apply to receivables, retroactive pay increases, adjustments in contributions or special compensation.

Additional contributions are paid into the member's account by the employer. No additional service is credited.

To make additional contributions to CalPERS, the employer must have received authorization from CalPERS via a resolution.

Example: Larry Singer's employer pays additional contributions in the amount of \$30.00 per month for each employee. Report the employer paid additional contributions for Larry Singer as follows:

| SSN | Member Name | | | Coverage Group | Service Period | | | Pay Code | Pay Rate | Member Earnings | Member Paid Contribution | | | Survivor Contrib. Amount | Work Schedule Code | Unit Code | Tax Deferred Member Contribution | |
|-------------|-------------|---|---|----------------|----------------|------|------|----------|----------|-----------------|--------------------------|------|--------|--------------------------|--------------------|-----------|----------------------------------|--------|
| | Last Name | F | M | | Mo | Year | Type | | | | Rate | Code | Amount | | | | Code | Amount |
| 000-00-0000 | Singer | L | P | | 07 | 10 | 0 | 00 | .000 | .00 | | 09 | 30.00 | 0 | 000 | 000 | 00 | .00 |

*Accounts for additional contributions, either member or employer paid, are no longer available to members unless the account was established prior to July 1, 1983. After that date, members and employers who make contributions into "additional" accounts may not change the contribution amount in any way. The only option available to them is to stop making additional contributions altogether.

CONTRIBUTION REPORTING PROCEDURES

EMPLOYER PAID MEMBER CONTRIBUTIONS (EPMC) CONVERTED TO BASE SALARY IN FINAL COMPENSATION PERIOD (LAST 12 OR 36 MONTHS OF EMPLOYMENT)

Example: Christine Perez earns \$2,000 per month and the employer pays the tax deferred member contributions at seven percent of salary (EPMC) for the entire group or class of employees until their final compensation period. The employer has amended their contract with CalPERS so that the EPMC is converted to salary and tax deferred member contributions are paid by all employees in a group or class in their final compensation period (G.C. section 20692). The following example is how Christine's payroll is reported prior to her final compensation period (the employer pays the tax deferred member contributions on her behalf):

| SSN | Member Name | | | Coverage Group | Service Period | | | Pay Code | Pay Rate | Member Earnings | Member Paid Contribution | | | Survivor Contrib. Amount | Work Schedule Code | Unit Code | Tax Deferred Member Contribution | |
|-------------|-------------|---|---|----------------|----------------|------|------|----------|-----------|-----------------|--------------------------|------|--------|--------------------------|--------------------|-----------|----------------------------------|--------|
| | Last Name | F | M | | Mo | Year | Type | | | | Rate | Code | Amount | | | | Code | Amount |
| 000-00-0000 | Perez | C | A | 70001 | 06 | 10 | 0 | 01 | 2,000.000 | 2,000.00 | 0.0700 | 00 | .00 | 0 | 173 | 000 | 11 | 140.00 |

Christine has informed her employer that she will be retiring. The EPMC is converted to salary and she now pays her own tax deferred member contributions during the final compensation period as shown below:

| SSN | Member Name | | | Coverage Group | Service Period | | | Pay Code | Pay Rate | Member Earnings | Member Paid Contribution | | | Survivor Contrib. Amount | Work Schedule Code | Unit Code | Tax Deferred Member Contribution | |
|-------------|-------------|---|---|----------------|----------------|------|------|----------|-----------|-----------------|--------------------------|------|--------|--------------------------|--------------------|-----------|----------------------------------|--------|
| | Last Name | F | M | | Mo | Year | Type | | | | Rate | Code | Amount | | | | Code | Amount |
| 000-00-0000 | Perez | C | A | 70001 | 07 | 10 | 0 | 01 | 2,140.000 | 2,140.00 | 0.0700 | 00 | .00 | 0 | 173 | 000 | 11 | 149.80 |

PAYING AND REPORTING THE VALUE OF EMPLOYER PAID MEMBER CONTRIBUTIONS (EPMC) AS SPECIAL COMPENSATION

Example: James Lee earns \$2,000.00 per month and the employer pays the tax deferred member contributions at seven percent of salary (EPMC) for the entire group or class of employees. The employer has agreed to report the value of the EPMC as special compensation for the entire group and has adopted a formal resolution to this effect and submitted it to CalPERS (G.C. section 20636(c)(4)). It is reported as an additional special compensation payroll entry as follows:

| SSN | Member Name | | | Coverage Group | Service Period | | | Pay Code | Pay Rate | Member Earnings | Member Paid Contribution | | | Survivor Contrib. Amount | Work Schedule Code | Unit Code | Tax Deferred Member Contribution | |
|-------------|-------------|---|---|----------------|----------------|------|------|----------|-----------|-----------------|--------------------------|------|--------|--------------------------|--------------------|-----------|----------------------------------|--------|
| | Last Name | F | M | | Mo | Year | Type | | | | Rate | Code | Amount | | | | Code | Amount |
| 000-00-0000 | Lee | J | R | 70001 | 07 | 10 | 0 | 01 | 2,000.000 | 2,000.00 | 0.0700 | 00 | .00 | 0 | 173 | 000 | 11 | 140.00 |
| 000-00-0000 | Lee | J | R | 70001 | 07 | 10 | 0 | 09 | 140.000 | 140.00 | 0.0700 | 00 | .00 | 0 | 000 | 000 | 16 | 9.80 |

TAX DEFERRED CONTRIBUTIONS

Tax deferred contributions paid by the employee ("Employer Pick-up" under IRC Section 414(h)(2)).

Example: Anita Jones earns \$2,000 per bi-weekly service period and pays her own contributions at seven percent of salary. The entire group or class has elected to have their member contributions tax deferred and have adopted the IRC Section 414(h)(2) resolution ("Employer Pick-up" of contributions).

| SSN | Member Name | | | Coverage Group | Service Period | | | Pay Code | Pay Rate | Member Earnings | Member Paid Contribution | | | Survivor Contrib. Amount | Work Schedule Code | Unit Code | Tax Deferred Member Contribution | |
|-------------|-------------|---|---|----------------|----------------|------|------|----------|----------|-----------------|--------------------------|------|--------|--------------------------|--------------------|-----------|----------------------------------|--------|
| | Last Name | F | M | | Mo | Year | Type | | | | Rate | Code | Amount | | | | Code | Amount |
| 000-00-0000 | Jones | A | B | 70001 | 07 | 10 | 3 | 04 | 25.000 | 2,000.00 | 0.0700 | 00 | .00 | 0 | 400 | 000 | 11 | 140.00 |

Tax deferred contributions paid by the employer (Employer Paid Member Contributions (EPMC)).

Example: Kevin Martinez earns \$2,000 per monthly service period and the employer pays the tax deferred member contributions at seven percent of salary (EPMC) for the entire group or class of employees (G.C. section 20691).

| SSN | Member Name | | | Coverage Group | Service Period | | | Pay Code | Pay Rate | Member Earnings | Member Paid Contribution | | | Survivor Contrib. Amount | Work Schedule Code | Unit Code | Tax Deferred Member Contribution | |
|-------------|-------------|---|---|----------------|----------------|------|------|----------|-----------|-----------------|--------------------------|------|--------|--------------------------|--------------------|-----------|----------------------------------|--------|
| | Last Name | F | M | | Mo | Year | Type | | | | Rate | Code | Amount | | | | Code | Amount |
| 000-00-0000 | Martinez | K | D | 70001 | 07 | 10 | 0 | 01 | 2,000.000 | 2,000.00 | 0.0700 | 00 | .00 | 0 | 173 | 000 | 11 | 140.00 |

SCHOOLS PAYROLL REPORTING

AB 2177 (Chapter 1030, Statutes of 2000), effective January 1, 2001, eliminated the Social Security offset for retirement contributions for school members who are coordinated with Social Security.

GOVERNMENT CODE SECTIONS 21354.1(B) AND 20677

This example shows both a monthly and an hourly employee with the modification of Social Security.

| SSN | Member Name | | | Coverage Group | Service Period | | | Pay Code | Pay Rate | Member Earnings | Member Paid Contribution | | | Survivor Contrib. Amount | Work Schedule Code | Unit Code | Tax Deferred Member Contribution | |
|-------------|-------------|---|---|----------------|----------------|------|------|----------|-----------|-----------------|--------------------------|------|--------|--------------------------|--------------------|-----------|----------------------------------|--------|
| | Last Name | F | M | | Mo | Year | Type | | | | Rate | Code | Amount | | | | Code | Amount |
| 000-00-0000 | Williams | J | A | 60002 | 12 | 00 | 0 | 01 | 2,000.000 | 2,000.00 | 0.0700 | 00 | .00 | 0 | 173 | 099 | 11 | 130.67 |
| 000-00-0000 | Adams | C | R | 60002 | 12 | 00 | 0 | 04 | 12.000 | 2,080.00 | 0.0700 | 00 | .00 | 0 | 400 | 099 | 11 | 136.27 |

GOVERNMENT CODE SECTION 20677(2)

This example shows the same employees without the modification for Social Security.

| SSN | Member Name | | | Coverage Group | Service Period | | | Pay Code | Pay Rate | Member Earnings | Member Paid Contribution | | | Survivor Contrib. Amount | Work Schedule Code | Unit Code | Tax Deferred Member Contribution | |
|-------------|-------------|---|---|----------------|----------------|------|------|----------|-----------|-----------------|--------------------------|------|--------|--------------------------|--------------------|-----------|----------------------------------|--------|
| | Last Name | F | M | | Mo | Year | Type | | | | Rate | Code | Amount | | | | Code | Amount |
| 000-00-0000 | Williams | J | A | 60004 | 01 | 01 | 0 | 01 | 2,000.000 | 2,000.00 | 0.0700 | 00 | .00 | 0 | 173 | 099 | 11 | 140.00 |
| 000-00-0000 | Adams | C | R | 60004 | 01 | 01 | 0 | 04 | 12.000 | 2,080.00 | 0.0700 | 00 | .00 | 0 | 400 | 099 | 11 | 145.60 |

BASIC CONTRIBUTION CALCULATION

This section defines the basic method of calculating member normal contributions. It does not apply to receivables or additional contributions. The method of calculating the member's normal contributions varies depending upon the member's contribution rate, provisions of the employer contract and whether or not the member has Social Security coverage. However, the following basic instructions apply to all members:

1. Locate in the Annual Employer Statement the coverage group that applies to the member.
2. Check the Annual Employer Statement, section D "Retirement coverage — contribution rate" under the proper coverage group. One of the following will be found:
 - a. (percentage rate) "ALL EARNINGS"
 - b. (percentage rate) "MODIFIED EARNINGS"
 - c. "VRBL"

NOTE: If the Member Contribution rate indicates 0%, report a zero contribution amount and stop here.

3. If (a) applies, multiply the member earnings reported by the percentage rate indicated in "Retirement coverage — contribution rate".

If (b) applies, modify the member total earnings each service period (regular earnings using the OASDI Modification Chart below). Multiply the modified earnings by the percentage rate indicated in "Retirement coverage — contribution rate."

If (c) applies, the member earnings may or may not need to be modified. Check the Annual Employer Statement for the formula. Modify the total earnings each service period (regular earnings and special compensation) by the modification factor if found on the Annual Employer Statement.

Next, multiply the modified or unmodified earnings by the contribution rate. This rate is based upon the employee's nearest age at entry into safety service covered by this retirement formula. Verify the employee's age on the Member Action Request form, to determine the rate.

NOTE: Employees working in two or more units will have a Social Security modification factor applied only once for the total normal earnings in the service period.

| OASDI MODIFICATION CHART | | | |
|--------------------------|---------------------------|---------------------------------------|---|
| Reporting frequency | If earnings are less than | If earnings are more than or equal to | Miscellaneous members and safety members reported under modified formulas |
| MONTHLY | \$400.00 | XXXXX | EARNINGS X 0.66667 X RATE |
| | XXXXX | \$400.00 | EARNINGS MINUS \$133.33 X RATE |
| SEMI-MONTHLY | \$200.00 | XXXXX | EARNINGS X 0.66667 X RATE |
| | XXXXX | \$200.00 | EARNINGS MINUS \$66.67 X RATE |
| BI-WEEKLY | \$184.00 | XXXXX | EARNINGS X 0.66667 X RATE |
| | XXXXX | \$184.00 | EARNINGS MINUS \$61.00 X RATE |
| QUADRI-WEEKLY | \$369.00 | XXXXX | EARNINGS X 0.66667 X RATE |
| | XXXXX | \$369.00 | EARNINGS MINUS \$123.00 X RATE |

NOTE: CSUC Auxiliary Organizations that contract for the same contribution rate and modification factors as State Miscellaneous members will calculate contributions according to the formula applicable (G.C. section 20680). The Annual Employer Statement will indicate this option. It also provides the modification table to be used.

NOTE: Do not apply the full OASDI modification factor more than once per pay period. If total earnings (regular pay rate and special compensation) are less than earnings on the OASDI modification chart, all earnings will be modified by 0.66667 to calculate member contributions.

CONTRIBUTION REPORTING PROCEDURES

MONTHLY REPORTING FREQUENCY

“M” (Modified) Apply the following OASDI earnings modification factors:

Total Earnings (less than \$400.00) x 0.66667 x Member Contribution Rate = Member Contributions

| SSN | Member Name | | | Coverage Group | Service Period | | | Pay Code | Pay Rate | Member Earnings | Member Paid Contribution | | | Survivor Contrib. Amount | Work Schedule Code | Unit Code | Tax Deferred Member Contribution | |
|-------------|-------------|---|---|----------------|----------------|------|------|----------|----------|-----------------|--------------------------|------|--------|--------------------------|--------------------|-----------|----------------------------------|--------|
| | Last Name | F | M | | Mo | Year | Type | | | | Rate | Code | Amount | | | | Code | Amount |
| 000-00-0000 | Carter | D | E | 70001 | 07 | 10 | 0 | 04 | 15.000 | 350.00 | 0.0700 | 00 | .00 | 0 | 400 | 000 | 11 | 16.33 |
| 000-00-0000 | Carter | D | E | 70001 | 07 | 10 | 0 | 09 | 25.000 | 25.00 | 0.0700 | 00 | .00 | 0 | 000 | 000 | 16 | 1.17 |

NOTE:

Do not apply the full OASDI modification factor more than once per service period. If total earnings (regular pay rate and special compensation) are less than earnings on the OASDI modification chart, all earnings will be modified by 0.66667 to calculate member contributions.

SEMI-MONTHLY REPORTING FREQUENCY

“F” (Full) or “S” (Supplemental)

Earnings x Member Contribution Rate = Member Contributions

| SSN | Member Name | | | Coverage Group | Service Period | | | Pay Code | Pay Rate | Member Earnings | Member Paid Contribution | | | Survivor Contrib. Amount | Work Schedule Code | Unit Code | Tax Deferred Member Contribution | |
|-------------|-------------|---|---|----------------|----------------|------|------|----------|-----------|-----------------|--------------------------|------|--------|--------------------------|--------------------|-----------|----------------------------------|--------|
| | Last Name | F | M | | Mo | Year | Type | | | | Rate | Code | Amount | | | | Code | Amount |
| 000-00-0000 | Adams | B | C | 70001 | 07 | 10 | 1 | 01 | 2,000.000 | 1,000.00 | 0.0700 | 00 | .00 | 0 | 173 | 000 | 11 | 70.00 |

“F” (Full) and 1959 Survivor Contribution \$1.00 (if applicable, see PAYROLL REPORTING ELEMENTS; Survivor Contribution)

| SSN | Member Name | | | Coverage Group | Service Period | | | Pay Code | Pay Rate | Member Earnings | Member Paid Contribution | | | Survivor Contrib. Amount | Work Schedule Code | Unit Code | Tax Deferred Member Contribution | |
|-------------|-------------|---|---|----------------|----------------|------|------|----------|-----------|-----------------|--------------------------|------|--------|--------------------------|--------------------|-----------|----------------------------------|--------|
| | Last Name | F | M | | Mo | Year | Type | | | | Rate | Code | Amount | | | | Code | Amount |
| 000-00-0000 | Adams | B | C | 70001 | 07 | 10 | 1 | 01 | 2,000.000 | 1,000.00 | 0.0700 | 00 | .00 | 1.00 | 173 | 000 | 11 | 70.00 |

“M” (Modified) Apply the following OASDI earnings modification factors:

Total Earnings (\$200.00 and over) - \$66.67 x Member Contribution Rate = Member Contributions

| SSN | Member Name | | | Coverage Group | Service Period | | | Pay Code | Pay Rate | Member Earnings | Member Paid Contribution | | | Survivor Contrib. Amount | Work Schedule Code | Unit Code | Tax Deferred Member Contribution | |
|-------------|-------------|---|---|----------------|----------------|------|------|----------|----------|-----------------|--------------------------|------|--------|--------------------------|--------------------|-----------|----------------------------------|--------|
| | Last Name | F | M | | Mo | Year | Type | | | | Rate | Code | Amount | | | | Code | Amount |
| 000-00-0000 | Baker | C | D | 70001 | 07 | 10 | 1 | 04 | 11.540 | 992.44 | 0.0700 | 00 | .00 | 0 | 400 | 000 | 11 | 64.80 |
| 000-00-0000 | Baker | C | D | 70001 | 07 | 10 | 1 | 09 | 100.000 | 100.00 | 0.0700 | 00 | .00 | 0 | 000 | 000 | 16 | 7.00 |

“M” (Modified) Apply the following OASDI earnings modification factors:

Total Earnings (less than \$200.00) x 0.66667 x Member Contribution Rate = Member Contributions

| SSN | Member Name | | | Coverage Group | Service Period | | | Pay Code | Pay Rate | Member Earnings | Member Paid Contribution | | | Survivor Contrib. Amount | Work Schedule Code | Unit Code | Tax Deferred Member Contribution | |
|-------------|-------------|---|---|----------------|----------------|------|------|----------|----------|-----------------|--------------------------|------|--------|--------------------------|--------------------|-----------|----------------------------------|--------|
| | Last Name | F | M | | Mo | Year | Type | | | | Rate | Code | Amount | | | | Code | Amount |
| 000-00-0000 | Carter | D | E | 70001 | 07 | 10 | 1 | 04 | 15.000 | 165.00 | 0.0700 | 00 | .00 | 0 | 400 | 000 | 11 | 7.70 |
| 000-00-0000 | Carter | D | E | 70001 | 07 | 10 | 1 | 09 | 25.000 | 25.00 | 0.0700 | 00 | .00 | 0 | 000 | 000 | 16 | 1.17 |

NOTE:

Do not apply the full OASDI modification factor more than once per service period. If total earnings (regular pay rate and special compensation) are less than earnings on the OASDI modification chart, all earnings will be modified by 0.66667 to calculate member contributions.

BI-WEEKLY REPORTING FREQUENCY

“F” (Full) or “S” (Supplemental) Earnings x Member Contribution Rate = Member Contributions

| SSN | Member Name | | | Coverage Group | Service Period | | | Pay Code | Pay Rate | Member Earnings | Member Paid Contribution | | | Survivor Contrib. Amount | Work Schedule Code | Unit Code | Tax Deferred Member Contribution | |
|-------------|-------------|---|---|----------------|----------------|------|------|----------|-----------|-----------------|--------------------------|------|--------|--------------------------|--------------------|-----------|----------------------------------|--------|
| | Last Name | F | M | | Mo | Year | Type | | | | Rate | Code | Amount | | | | Code | Amount |
| 000-00-0000 | Adams | B | C | 70001 | 07 | 10 | 3 | 01 | 2,000.000 | 923.08 | 0.0700 | 00 | .00 | 0 | 173 | 000 | 11 | 64.62 |

“F” (Full) and 1959 Survivor Contribution \$0.93 (if applicable, see *Payroll Reporting Elements*; Survivor Contribution)

| SSN | Member Name | | | Coverage Group | Service Period | | | Pay Code | Pay Rate | Member Earnings | Member Paid Contribution | | | Survivor Contrib. Amount | Work Schedule Code | Unit Code | Tax Deferred Member Contribution | |
|-------------|-------------|---|---|----------------|----------------|------|------|----------|-----------|-----------------|--------------------------|------|--------|--------------------------|--------------------|-----------|----------------------------------|--------|
| | Last Name | F | M | | Mo | Year | Type | | | | Rate | Code | Amount | | | | Code | Amount |
| 000-00-0000 | Adams | B | C | 70001 | 07 | 10 | 3 | 01 | 2,000.000 | 923.08 | 0.0700 | 00 | .00 | 0.93 | 173 | 000 | 11 | 64.62 |

“M” (Modified) Apply the following OASDI earnings modification factors:

Total Earnings (\$184.00 and over) - \$61.00 x Member Contribution Rate = Member Contributions

| SSN | Member Name | | | Coverage Group | Service Period | | | Pay Code | Pay Rate | Member Earnings | Member Paid Contribution | | | Survivor Contrib. Amount | Work Schedule Code | Unit Code | Tax Deferred Member Contribution | |
|-------------|-------------|---|---|----------------|----------------|------|------|----------|----------|-----------------|--------------------------|------|--------|--------------------------|--------------------|-----------|----------------------------------|--------|
| | Last Name | F | M | | Mo | Year | Type | | | | Rate | Code | Amount | | | | Code | Amount |
| 000-00-0000 | Baker | C | D | 70001 | 07 | 10 | 3 | 04 | 11.540 | 923.20 | 0.0700 | 00 | .00 | 0 | 400 | 000 | 11 | 60.35 |
| 000-00-0000 | Baker | C | D | 70001 | 07 | 10 | 3 | 09 | 100.000 | 100.00 | 0.0700 | 00 | .00 | 0 | 000 | 000 | 16 | 7.00 |

“M” (Modified) Apply the following OASDI earnings modification factors:

Total Earnings (\$183.99 and less) x 0.66667 x Member Contribution Rate = Member Contributions

| SSN | Member Name | | | Coverage Group | Service Period | | | Pay Code | Pay Rate | Member Earnings | Member Paid Contribution | | | Survivor Contrib. Amount | Work Schedule Code | Unit Code | Tax Deferred Member Contribution | |
|-------------|-------------|---|---|----------------|----------------|------|------|----------|----------|-----------------|--------------------------|------|--------|--------------------------|--------------------|-----------|----------------------------------|--------|
| | Last Name | F | M | | Mo | Year | Type | | | | Rate | Code | Amount | | | | Code | Amount |
| 000-00-0000 | Carter | D | E | 70001 | 07 | 10 | 3 | 04 | 15.000 | 165.00 | 0.0700 | 00 | .00 | 0 | 400 | 000 | 11 | 7.70 |
| 000-00-0000 | Carter | D | E | 70001 | 07 | 10 | 3 | 09 | 10.000 | 10.00 | 0.0700 | 00 | .00 | 0 | 000 | 000 | 16 | 1.17 |

NOTE:

Do not apply the full OASDI modification factor more than once per service period. If total earnings (regular pay rate and special compensation) are less than earnings on the OASDI modification chart, all earnings will be modified by 0.66667 to calculate member contributions.

QUADRI-WEEKLY REPORTING FREQUENCY

“F” (Full) or “S” (Supplemental)

Earnings x Member Contribution Rate = Member Contributions

| SSN | Member Name | | | Coverage Group | Service Period | | | Pay Code | Pay Rate | Member Earnings | Member Paid Contribution | | | Survivor Contrib. Amount | Work Schedule Code | Unit Code | Tax Deferred Member Contribution | |
|-------------|-------------|---|---|----------------|----------------|------|------|----------|-----------|-----------------|--------------------------|------|--------|--------------------------|--------------------|-----------|----------------------------------|--------|
| | Last Name | F | M | | Mo | Year | Type | | | | Rate | Code | Amount | | | | Code | Amount |
| 000-00-0000 | Adams | B | C | 70001 | 07 | 10 | 6 | 01 | 2,000.000 | 1,846.15 | 0.0700 | 00 | .00 | 0 | 173 | 000 | 11 | 129.23 |

“F” (Full) and 1959 Survivor Contribution \$1.86 (if applicable, see PAYROLL REPORTING ELEMENTS; Survivor Contribution)

| SSN | Member Name | | | Coverage Group | Service Period | | | Pay Code | Pay Rate | Member Earnings | Member Paid Contribution | | | Survivor Contrib. Amount | Work Schedule Code | Unit Code | Tax Deferred Member Contribution | |
|-------------|-------------|---|---|----------------|----------------|------|------|----------|-----------|-----------------|--------------------------|------|--------|--------------------------|--------------------|-----------|----------------------------------|--------|
| | Last Name | F | M | | Mo | Year | Type | | | | Rate | Code | Amount | | | | Code | Amount |
| 000-00-0000 | Adams | B | C | 70001 | 07 | 10 | 6 | 01 | 2,000.000 | 1,846.15 | 0.0700 | 00 | .00 | 1.86 | 173 | 000 | 11 | 129.23 |

“M” (Modified) Apply the following OASDI earnings modification factors:

Total Earnings (\$369.00 and over) - \$123.00 x Member Contribution Rate = Member Contributions

| SSN | Member Name | | | Coverage Group | Service Period | | | Pay Code | Pay Rate | Member Earnings | Member Paid Contribution | | | Survivor Contrib. Amount | Work Schedule Code | Unit Code | Tax Deferred Member Contribution | |
|-------------|-------------|---|---|----------------|----------------|------|------|----------|----------|-----------------|--------------------------|------|--------|--------------------------|--------------------|-----------|----------------------------------|--------|
| | Last Name | F | M | | Mo | Year | Type | | | | Rate | Code | Amount | | | | Code | Amount |
| 000-00-0000 | Baker | C | D | 70001 | 07 | 10 | 6 | 04 | 11.540 | 1,846.40 | 0.0700 | 00 | .00 | 0 | 400 | 000 | 11 | 120.64 |
| 000-00-0000 | Baker | C | D | 70001 | 07 | 10 | 6 | 09 | 200.000 | 200.00 | 0.0700 | 00 | .00 | 0 | 000 | 000 | 16 | 14.00 |

“M” (Modified) Apply the following OASDI earnings modification factors:

Total Earnings (less than \$369.00) x 0.66667 x Member Contribution Rate = Member Contributions

| SSN | Member Name | | | Coverage Group | Service Period | | | Pay Code | Pay Rate | Member Earnings | Member Paid Contribution | | | Survivor Contrib. Amount | Work Schedule Code | Unit Code | Tax Deferred Member Contribution | |
|-------------|-------------|---|---|----------------|----------------|------|------|----------|----------|-----------------|--------------------------|------|--------|--------------------------|--------------------|-----------|----------------------------------|--------|
| | Last Name | F | M | | Mo | Year | Type | | | | Rate | Code | Amount | | | | Code | Amount |
| 000-00-0000 | Carter | D | E | 70001 | 07 | 10 | 6 | 04 | 15.000 | 330.00 | 0.0700 | 00 | .00 | 0 | 400 | 000 | 11 | 15.40 |
| 000-00-0000 | Carter | D | E | 70001 | 07 | 10 | 6 | 09 | 25.000 | 25.00 | 0.0700 | 00 | .00 | 0 | 000 | 000 | 16 | 1.17 |

NOTE:

Do not apply the full OASDI modification factor more than once per service period. If total earnings (regular pay rate and special compensation) are less than earnings on the OASDI modification chart, all earnings will be modified by 0.66667 to calculate member contributions.

Employees working in two or more units will have a Social Security modification factor applied only once for the total normal earnings in the service period.

PAY RATE/EARNINGS RELATIONSHIP

Pay rate is the amount of compensation a member is paid for a unit of time (i.e., hour, day or month). The pay rate should remain stable throughout a fiscal year except for pay raises, demotions, or changes of position. If a member works in more than one position or has a raise in the middle of a pay period, report amounts earned under each pay rate separately.

An hourly pay rate is that rate of compensation to which an employee is entitled under an employment agreement which provides for compensation for each hour of regular time worked by the employee.

A daily pay rate for both a full-time and a part-time employee is that amount of compensation to which a full-time employee is entitled when the employee's services are performed under an employment agreement which provides for a daily rate of compensation.

A monthly pay rate for both a full-time and a part-time employee is that amount of compensation to which a full-time employee is entitled, when the employee's services are performed under an employment agreement which provides for a monthly rate of compensation.

CalPERS considers full-time employment to range from 34 to 60 hours per week. Employers generally have the ability to determine what constitutes full-time for an employee provided that the employee works between 34 and 60 hours per week. However, G.C. section 20636.1 specifies that for all non-certificated school members full-time is 40 hours per week. This means that all hours up to 40 per week must be reported to CalPERS for non-certificated school members at the straight time rate.

IMPACT ON FINAL BENEFITS

Reporting correct pay rates for your active members is essential in calculating correct member benefits at retirement. The three critical elements used in calculating retirement benefits are:

1. service credit
2. final compensation
3. age at retirement

Service credit and final compensation are directly related to the pay rate and earnings reported for the member. Service credit is derived from the pay rate and earnings reported. It is based on the way a member is paid.

| EARNINGS DIVIDED BY PAY RATE EQUALS SERVICE CREDIT | | | | | |
|--|---------------------------|---|-------------------|---|-------------------------------|
| Example: | 1. <u>Member Earnings</u> | = | <u>\$1,200.00</u> | = | 1.000 month of service credit |
| | Monthly Pay Rate | | \$1,200.000 | | |
| | 2. <u>Member Earnings</u> | = | <u>\$ 600.00</u> | = | 0.500 month of service credit |
| | Monthly Pay Rate | | \$1,200.000 | | |
| | 3. <u>Member Earnings</u> | = | <u>\$ 600.00</u> | = | 80 hours of service credit |
| | Hourly Pay Rate | | \$ 7.500 | | |
| | 4. <u>Member Earnings</u> | = | <u>\$ 600.00</u> | = | 20 days of service credit |
| | Daily Pay Rate | | \$ 30.000 | | |

A member in full-time employment will be credited with one year of service for any of the following:

- a. 10 months for those paid on a monthly basis;
- b. 215 days for those paid on a daily basis; or
- c. 1,720 hours for those paid on an hourly basis.

Partial credit will be given for those working less than the full amount of a, b, or c. Service credited in hours, days or months is converted to a percentage of a year at the end of each fiscal year. Service credit for each fiscal year is combined to arrive at total service credit.

Final compensation is the average monthly full-time pay rate and special compensation reported for the three consecutive years of employment immediately preceding the last day

on the payroll, unless the member designates another three year period in which the pay rate was higher. Some agencies contract with CalPERS for a one year average instead of the three year average.

FULL-TIME SERVICE CREDIT

Service credit is one of the three critical elements that are used to calculate a member's retirement allowance. CalPERS limits the amount of service credit a member can earn to 1.000 year per fiscal year (July 1 – June 30). Under G.C. section 20962, a member will be credited with 1.000 year of CalPERS service credit if they work either 10 months, 1720 hours, or 215 days within a fiscal year. If a member works less than 10 months, 1720 hours or 215 days within any given fiscal year then they will earn less than 1.000 of service credit in accordance with G.C. section 20966. The following examples demonstrate how service credit is calculated for a monthly, hourly and daily reported employee:

G.C. SECTION 20962 - EXPLAINS WHAT CONSTITUTES 1 YEAR OF SERVICE CREDIT

1. Daily Employee = 215 days to earn 1 year of service credit
2. Hourly Employee = 1,720 hours to earn 1 year of service credit
3. Monthly Employee = 10.000 months to earn 1 year of service credit

G.C. SECTION 20966 - PARTIAL SERVICE CREDIT CALCULATIONS

The partial service credit calculations below are illustrative examples of the ratio used to calculate service credit for part-time employees.

1. Daily: Employee works 185 days during the fiscal year
 - $185 \text{ days} \div 215 \text{ days} = 0.860 \text{ years of service credit}$
2. Hourly: Employee works 1295 hours during the fiscal year
 - $1295 \text{ hours} \div 1720 \text{ hours} = 0.753 \text{ years of service credit}$
3. Monthly: Employee works 7.200 months during the fiscal year
 - $7.200 \text{ months} \div 10.000 \text{ months} = 0.720 \text{ years of service credit}$

FULL-TIME SERVICE CREDIT PAYROLL REPORTING EXAMPLES

NOTE: These examples are based upon a 40-hour work week.

ALWAYS USE THE FULL-TIME PAY RATE. THE PAY RATE SHOULD NOT CHANGE EXCEPT WHEN A PAY RAISE, DEMOTION, OR CHANGE IN POSITION OCCURS.

MONTHLY SERVICE CREDIT (EARNINGS ÷ PAY RATE = SERVICE CREDIT)

| | |
|-----------------|-----------------------------------|
| <u>Pay Rate</u> | <u>Maximum Creditable Service</u> |
| Monthly | = 1.000 month |
| Hourly | = 184 hours |
| Daily | = 23 days |

| SSN | Member Name | | | Coverage Group | Service Period | | | Pay Code | Pay Rate | Member Earnings | Member Paid Contribution | | | Survivor Contrib. Amount | Work Schedule Code | Unit Code | Tax Deferred Member Contribution | | |
|-------------|-------------|---|---|----------------|----------------|------|------|----------|-----------|-----------------|--------------------------|------|--------|--------------------------|--------------------|-----------|----------------------------------|---------|-------------|
| | Last Name | F | M | | Mo | Year | Type | | | | Rate | Code | Amount | | | | Code | Amount | |
| 000-00-0000 | Adams | B | C | 70001 | 07 | 10 | 0 | 01 | 2,000.000 | 2,000.00 | 0.0700 | 00 | .00 | 0 | 173 | 000 | 11 | 140.00= | 1.000 month |
| 000-00-0000 | Baker | C | D | 70001 | 07 | 10 | 0 | 04 | 11.540 | 2,123.36 | 0.0700 | 00 | .00 | 0 | 400 | 000 | 11 | 148.64= | 184 hours |
| 000-00-0000 | Carter | D | E | 70001 | 07 | 10 | 0 | 08 | 92.320 | 2,123.36 | 0.0700 | 00 | .00 | 0 | 050 | 000 | 11 | 148.64= | 23 days |

If a pay increase occurs in the same pay period, use separate payroll entries to reflect earnings based upon each pay rate.

| SSN | Member Name | | | Coverage Group | Service Period | | | Pay Code | Pay Rate | Member Earnings | Member Paid Contribution | | | Survivor Contrib. Amount | Work Schedule Code | Unit Code | Tax Deferred Member Contribution | | |
|-------------|-------------|---|---|----------------|----------------|------|------|----------|----------|-----------------|--------------------------|------|--------|--------------------------|--------------------|-----------|----------------------------------|---------|-----------|
| | Last Name | F | M | | Mo | Year | Type | | | | Rate | Code | Amount | | | | Code | Amount | |
| 000-00-0000 | Baker | C | D | 70001 | 07 | 10 | 1 | 04 | 11.540 | 1,015.52 | 0.0700 | 00 | .00 | 0 | 400 | 000 | 11 | 71.09 = | 88 hours |
| 000-00-0000 | Baker | C | D | 70001 | 07 | 10 | 1 | 04 | 12.500 | 1,200.00 | 0.0700 | 00 | .00 | 0 | 400 | 000 | 11 | 84.00 = | 96 hours |
| | | | | | | | | | | | | | | | | | | | 184 hours |

SEMI-MONTHLY SERVICE CREDIT (EARNINGS ÷ PAY RATE = SERVICE CREDIT)

| | |
|-----------------|-----------------------------------|
| <u>Pay Rate</u> | <u>Maximum Creditable Service</u> |
| Monthly | = 0.500 month |
| Hourly | = 96 hours |
| Daily | = 12 days |

| SSN | Member Name | | | Coverage Group | Service Period | | | Pay Code | Pay Rate | Member Earnings | Member Paid Contribution | | | Survivor Contrib. Amount | Work Schedule Code | Unit Code | Tax Deferred Member Contribution | | |
|-------------|-------------|---|---|----------------|----------------|------|------|----------|-----------|-----------------|--------------------------|------|--------|--------------------------|--------------------|-----------|----------------------------------|--------|-------------|
| | Last Name | F | M | | Mo | Year | Type | | | | Rate | Code | Amount | | | | Code | Amount | |
| 000-00-0000 | Adams | B | C | 70001 | 07 | 10 | 1 | 01 | 2,000.000 | 1,000.00 | 0.0700 | 00 | .00 | 0 | 173 | 000 | 11 | 70.00= | 0.500 month |
| 000-00-0000 | Baker | C | D | 70001 | 07 | 10 | 1 | 04 | 11.540 | 1,107.84 | 0.0700 | 00 | .00 | 0 | 400 | 000 | 11 | 77.55= | 96 hours |
| 000-00-0000 | Carter | D | E | 70001 | 07 | 10 | 1 | 08 | 92.320 | 1,107.84 | 0.0700 | 00 | .00 | 0 | 050 | 000 | 11 | 77.55= | 12 days |

If a pay increase occurs in the same pay period, use separate payroll entries to reflect earnings based upon each pay rate.

| SSN | Member Name | | | Coverage Group | Service Period | | | Pay Code | Pay Rate | Member Earnings | Member Paid Contribution | | | Survivor Contrib. Amount | Work Schedule Code | Unit Code | Tax Deferred Member Contribution | | |
|-------------|-------------|---|---|----------------|----------------|------|------|----------|----------|-----------------|--------------------------|------|--------|--------------------------|--------------------|-----------|----------------------------------|--------|----------|
| | Last Name | F | M | | Mo | Year | Type | | | | Rate | Code | Amount | | | | Code | Amount | |
| 000-00-0000 | Baker | C | D | 70001 | 07 | 10 | 0 | 04 | 11.540 | 646.24 | 0.0700 | 00 | .00 | 0 | 400 | 000 | 11 | 45.24= | 56 hours |
| 000-00-0000 | Baker | C | D | 70001 | 07 | 10 | 0 | 04 | 12.500 | 500.00 | 0.0700 | 00 | .00 | 0 | 400 | 000 | 11 | 35.00= | 40 hours |

96 hours

BI-WEEKLY SERVICE CREDIT (EARNINGS ÷ PAY RATE = SERVICE CREDIT)

| | |
|-----------------|-----------------------------------|
| <u>Pay Rate</u> | <u>Maximum Creditable Service</u> |
| Monthly | = 0.462 month |
| Hourly | = 80 hours |
| Daily | = 10 days |

| SSN | Member Name | | | Coverage Group | Service Period | | | Pay Code | Pay Rate | Member Earnings | Member Paid Contribution | | | Survivor Contrib. Amount | Work Schedule Code | Unit Code | Tax Deferred Member Contribution | | |
|-------------|-------------|---|---|----------------|----------------|------|------|----------|-----------|-----------------|--------------------------|------|--------|--------------------------|--------------------|-----------|----------------------------------|--------|-------------|
| | Last Name | F | M | | Mo | Year | Type | | | | Rate | Code | Amount | | | | Code | Amount | |
| 000-00-0000 | Adams | B | C | 70001 | 07 | 10 | 3 | 01 | 2,000.000 | 923.20 | 0.0700 | 00 | .00 | 0 | 173 | 000 | 11 | 64.62= | 0.462 month |
| 000-00-0000 | Baker | C | D | 70001 | 07 | 10 | 3 | 04 | 11.540 | 923.20 | 0.0700 | 00 | .00 | 0 | 400 | 000 | 11 | 64.62= | 80 hours |
| 000-00-0000 | Carter | D | E | 70001 | 07 | 10 | 3 | 08 | 92.320 | 923.20 | 0.0700 | 00 | .00 | 0 | 050 | 000 | 11 | 64.62= | 10 days |

If a pay increase occurs in the same pay period, use separate payroll entries to reflect earnings based upon each pay rate.

| SSN | Member Name | | | Coverage Group | Service Period | | | Pay Code | Pay Rate | Member Earnings | Member Paid Contribution | | | Survivor Contrib. Amount | Work Schedule Code | Unit Code | Tax Deferred Member Contribution | | |
|-------------|-------------|---|---|----------------|----------------|------|------|----------|----------|-----------------|--------------------------|------|--------|--------------------------|--------------------|-----------|----------------------------------|--------|----------|
| | Last Name | F | M | | Mo | Year | Type | | | | Rate | Code | Amount | | | | Code | Amount | |
| 000-00-0000 | Baker | C | D | 70001 | 07 | 10 | 3 | 04 | 11.540 | 553.92 | 0.0700 | 00 | .00 | 0 | 400 | 000 | 11 | 38.77= | 48 hours |
| 000-00-0000 | Baker | C | D | 70001 | 07 | 10 | 3 | 04 | 12.500 | 400.00 | 0.0700 | 00 | .00 | 0 | 400 | 000 | 11 | 28.00= | 32 hours |

80 hours

QUADRI-WEEKLY SERVICE CREDIT (EARNINGS ÷ PAY RATE = SERVICE CREDIT)

| | |
|-----------------|-----------------------------------|
| <u>Pay Rate</u> | <u>Maximum Creditable Service</u> |
| Monthly | = 0.923 month |
| Hourly | = 160 hours |
| Daily | = 20 days |

| SSN | Member Name | | | Coverage Group | Service Period | | | Pay Code | Pay Rate | Member Earnings | Member Paid Contribution | | | Survivor Contrib. Amount | Work Schedule Code | Unit Code | Tax Deferred Member Contribution | | |
|-------------|-------------|---|---|----------------|----------------|------|------|----------|-----------|-----------------|--------------------------|------|--------|--------------------------|--------------------|-----------|----------------------------------|---------|-------------|
| | Last Name | F | M | | Mo | Year | Type | | | | Rate | Code | Amount | | | | Code | Amount | |
| 000-00-0000 | Adams | B | C | 70001 | 07 | 10 | 6 | 01 | 2,000.000 | 1,846.40 | 0.0700 | 00 | .00 | 0 | 173 | 000 | 11 | 129.25= | 0.923 month |
| 000-00-0000 | Baker | C | D | 70001 | 07 | 10 | 6 | 04 | 11.540 | 1,846.40 | 0.0700 | 00 | .00 | 0 | 400 | 000 | 11 | 129.25= | 160 hours |
| 000-00-0000 | Carter | D | E | 70001 | 07 | 10 | 6 | 08 | 92.320 | 1,846.40 | 0.0700 | 00 | .00 | 0 | 050 | 000 | 11 | 129.25= | 20 days |

If a pay increase occurs in the same pay period, use separate payroll entries to reflect earnings based upon each pay rate.

| SSN | Member Name | | | Coverage Group | Service Period | | | Pay Code | Pay Rate | Member Earnings | Member Paid Contribution | | | Survivor Contrib. Amount | Work Schedule Code | Unit Code | Tax Deferred Member Contribution | | |
|-------------|-------------|---|---|----------------|----------------|------|------|----------|----------|-----------------|--------------------------|------|--------|--------------------------|--------------------|-----------|----------------------------------|--------|-----------|
| | Last Name | F | M | | Mo | Year | Type | | | | Rate | Code | Amount | | | | Code | Amount | |
| 000-00-0000 | Baker | C | D | 70001 | 07 | 10 | 6 | 04 | 11.540 | 1,384.80 | 0.0700 | 00 | .00 | 0 | 400 | 000 | 11 | 96.94= | 120 hours |
| 000-00-0000 | Baker | C | D | 70001 | 07 | 10 | 6 | 04 | 12.500 | 500.00 | 0.0700 | 00 | .00 | 0 | 400 | 000 | 11 | 35.00= | 40 hours |

160 hours

FULL-TIME SERVICE CREDIT — ELECTED/APPOINTED OFFICIALS

Elected/appointed officials who elect to be covered by CalPERS must receive full-time service credit during their term of office. Compensation, not reimbursement of expenses, is required to be reported. Since the official is required to receive full-time service credit, the pay rate and earnings are required to be reported. Samples of the various reporting periods and how to report them follow this section. If the official receives a monthly amount of compensation but the reporting frequency is other than monthly, use the following guidelines to report the individual on your payroll:

1. list the person on only one report each month;
2. use contribution code 03 or 13;
3. use the service period type "0" for that entry;
4. report compensation earned for the month as both pay rate and earnings (pay rate will be the same as the earnings); or
5. submit a separate monthly payroll report for elected officials.

FULL-TIME SERVICE CREDIT — ELECTED/APPOINTED OFFICIAL COMPENSATED MONTHLY – REPORTED ON A MONTHLY REPORT

| SSN | Member Name | | | Coverage Group | Service Period | | | Pay Code | Pay Rate | Member Earnings | Member Paid Contribution | | | Survivor Contrib. Amount | Work Schedule Code | Unit Code | Tax Deferred Member Contribution | |
|-------------|--------------|---|---|-------------------|----------------|------|------|-------------|----------|--------------------|-----------------------------|------|--------|--------------------------------|--------------------------|--------------|--|--------|
| | Last Name | F | M | | Mo | Year | Type | | | | Rate | Code | Amount | | | | Code | Amount |
| 000-00-0000 | Evans | F | G | 70001 | 07 | 10 | 0 | 01 | 300.000 | 300.00 | 0.0700 | 00 | .00 | 0 | 173 | 000 | 11 | 21.00 |

NOTE: 12 entries per year are reported even though the agency's pay period may be bi-weekly or semi-monthly.

FULL-TIME SERVICE CREDIT — ELECTED/APPOINTED OFFICIAL COMPENSATED MONTHLY BUT REPORTED ON A SERVICE PERIOD OTHER THAN MONTHLY, (e.g. SEMI-MONTHLY, BI-WEEKLY, QUADRI-WEEKLY)

| SSN | Member Name | | | Coverage Group | Service Period | | | Pay Code | Pay Rate | Member Earnings | Member Paid Contribution | | | Survivor Contrib. Amount | Work Schedule Code | Unit Code | Tax Deferred Member Contribution | |
|-------------|--------------|---|---|-------------------|----------------|------|------|-------------|----------|--------------------|-----------------------------|------|--------|--------------------------------|--------------------------|--------------|--|--------|
| | Last Name | F | M | | Mo | Year | Type | | | | Rate | Code | Amount | | | | Code | Amount |
| 000-00-0000 | Evans | F | G | 70001 | 07 | 10 | 0 | 01 | 300.000 | 300.00 | 0.0700 | 00 | .00 | 0 | 173 | 000 | 13 | 21.00 |

FULL-TIME SERVICE CREDIT — ELECTED/APPOINTED OFFICIAL
COMPENSATED BI-WEEKLY – REPORTED ON A BI-WEEKLY REPORT

| SSN | Member Name | | | Coverage Group | Service Period | | | Pay Code | Pay Rate | Member Earnings | Member Paid Contribution | | | Survivor Contrib. Amount | Work Schedule Code | Unit Code | Tax Deferred Member Contribution | |
|-------------|-------------|---|---|----------------|----------------|------|------|----------|----------|-----------------|--------------------------|------|--------|--------------------------|--------------------|-----------|----------------------------------|--------|
| | Last Name | F | M | | Mo | Year | Type | | | | Rate | Code | Amount | | | | Code | Amount |
| 000-00-0000 | Evans | F | G | 70001 | 07 | 10 | 3 | 01 | 300.000 | 138.45 | 0.0700 | 00 | .00 | 0 | 173 | 000 | 11 | 9.69 |

FULL-TIME SERVICE CREDIT — ELECTED/APPOINTED OFFICIAL
COMPENSATED SEMI-MONTHLY – REPORTED ON A SEMI-MONTHLY REPORT

| SSN | Member Name | | | Coverage Group | Service Period | | | Pay Code | Pay Rate | Member Earnings | Member Paid Contribution | | | Survivor Contrib. Amount | Work Schedule Code | Unit Code | Tax Deferred Member Contribution | |
|-------------|-------------|---|---|----------------|----------------|------|------|----------|----------|-----------------|--------------------------|------|--------|--------------------------|--------------------|-----------|----------------------------------|--------|
| | Last Name | F | M | | Mo | Year | Type | | | | Rate | Code | Amount | | | | Code | Amount |
| 000-00-0000 | Evans | F | G | 70001 | 07 | 10 | 1 | 01 | 300.000 | 150.00 | 0.0700 | 00 | .00 | 0 | 173 | 000 | 11 | 10.50 |

FULL-TIME SERVICE CREDIT — ELECTED/APPOINTED OFFICIAL
COMPENSATED QUADRI-WEEKLY – REPORTED ON A QUADRI-WEEKLY REPORT

| SSN | Member Name | | | Coverage Group | Service Period | | | Pay Code | Pay Rate | Member Earnings | Member Paid Contribution | | | Survivor Contrib. Amount | Work Schedule Code | Unit Code | Tax Deferred Member Contribution | |
|-------------|-------------|---|---|----------------|----------------|------|------|----------|----------|-----------------|--------------------------|------|--------|--------------------------|--------------------|-----------|----------------------------------|--------|
| | Last Name | F | M | | Mo | Year | Type | | | | Rate | Code | Amount | | | | Code | Amount |
| 000-00-0000 | Evans | F | G | 70001 | 07 | 10 | 6 | 01 | 300.000 | 276.92 | 0.0700 | 00 | .00 | 0 | 173 | 000 | 11 | 19.38 |

REPORTING EQUAL PAYMENTS

In accordance with G.C. sections 20633 and 20630 employers shall identify the pay period in which the compensation was earned by the employee regardless of when it is reported or paid.

Some employers make equal salary payments to their employees throughout the year. Employers may report equal payments during the member's appointment period provided the member works the entire month. However, if a member works only a partial month during their appointment, then the member's earnings should only reflect the actual time worked rather than a full month. Salary withheld during the year to pay members during the time they are off should be reported as earned. In order to comply with G.C. section 20630, equal payments cannot be reported outside the appointment period during a time when the member does not render service.

SCHOOL MEMBER PAY RATES

Report school members to CalPERS using the actual rate of pay at which they are hired (i.e., hourly, daily, or monthly). Do not convert an hourly or daily pay rate to a monthly equivalent, as this could result in incorrect final benefits for the member. If a contract employee is working outside the timeframe of the contract (e.g., summer session), use the salary schedule for the position worked. Do not use the hourly rate for the contract.

REDUCED WORKTIME PROGRAM FOR CLASSIFIED/CERTIFICATED SCHOOL MEMBERS

Certain classified and certificated school district members may enter into a reduced work time program without loss of retirement credit, if the governing board of a school district or community college district elects to establish regulations to implement such a program (Education Code sections 44922, 45139, 87483, 88038, 89516 and G.C. sections 20900 and 20905).

The minimum requirements for such a program are:

1. Eligible employees must be at least 55 years old;
2. The employee must have 10 years full-time classified service and the immediately preceding five years must be without a break;
3. Transfer to reduced work time is optional to the employee and termination requires employee and employer consent;
4. Salary shall be a pro-rata share of the active salary and no benefit entitlements shall be lost, including health, survivor benefits, disability benefits and retirement;
5. The minimum part-time employment level must be 50% of the employee's previous full-time employment; and
6. The part-time program shall not exceed five years nor extend beyond the end of the school year during which the employee reaches age 70.

The employer, not CalPERS, is required to verify the eligibility of the employee and to maintain the necessary records to identify the employees involved in the program.

No notice is required to be sent to CalPERS. The employer should report employees under the reduced worktime program as if they had worked full time (i.e. report the pay rate and earnings the employee would receive if she/he works full-time). The employee will also pay member contributions based on the full-time earnings reported. This will result in full service credit and benefits based on full salary levels. The employer and member contributions on the full-time pay will automatically pay for the cost of the program.

PROPER REPORTING OF OVERTIME PAY RATES FOR SCHOOL MEMBERS

California Public Employees' Retirement System (CalPERS) G.C. section 20636.1 requires all services rendered up to 40 hours per week be reported for non-certificated school members. G.C. section 20635.1 indicates that overtime compensation is excluded from reporting. Schools commonly have employees who have a regular work week that is less than 40 hours per week, these employees may or may not be paid at a straight-time, hourly rate for those hours.

For any services rendered in excess of their regular work week, they receive an overtime rate of pay. In order to comply with G.C. section 20636.1, schools must report this employee to CalPERS for the hours worked over their normal work week, up to 40 hours per week. Even though the member is being paid an overtime rate, any hours worked between the regular work week and 40 hours per week are required to be reported to CalPERS at the straight time hourly rate that corresponds with the salary schedule for that classification. All earnings for services rendered in excess of 40 hours per week should not be reported to CalPERS. Overtime rates should not be reported to CalPERS for non-certificated school employees in accordance with Government Code 20635.1.

Examples of proper and improper reporting follow. These examples are for an employee being paid \$15 per hour for hours up to 35 hours per week (35 hours x 4 weeks = 140 hours). The employee is being paid \$22.50 per hour for hours from 36 to 40 per week (5 hours x 4 weeks = 20 hours). The \$22.50 per hour pay rate should not be reported to CalPERS.

All pay rates and earnings should reflect the straight time rate of \$15 per hour. In the correct example below, reporting to CalPERS may be consolidated on one line reflecting a \$15 hourly pay rate and total earnings of \$2,400.

Incorrect data is shaded below:

| <i>Month</i> | <i>Pay Rate</i> | <i>Member Earnings</i> |
|----------------|-----------------|------------------------|
| Correct | | |
| Sept (Reg hrs) | \$15.00 | \$2,100.00 |
| Sept (OT hrs) | \$15.00 | \$300.00 |
| Incorrect | | |
| Sept (Reg hrs) | \$15.00 | \$2,100.00 |
| Sept (OT hrs) | \$22.50 | \$450.00 |
| Incorrect | | |
| Sept (Reg hrs) | \$15.00 | \$2,100.00 |
| Sept (OT hrs) | \$15.00 | \$450.00 |
| Incorrect | | |
| Sept (Reg hrs) | \$15.00 | \$2,100.00 |
| Sept (OT hrs) | \$22.50 | \$300.00 |

For more information, call the CalPERS Customer Contact Center at **888 CalPERS** (or **888-225-7377**).

FURLOUGH REPORTING

Public Agencies & Schools

The employer will need to report the full pay rate and the reduced earnings resulting from the furlough days. The member may see a reduction in service credit depending on the amount of furloughs.

If a member is reported less than 10 full months, 215 days or 1720 hours in a fiscal year, the service credit will be less than one year. A member would begin to see less than a full year of service if they are working less than 144 hours per month or 34 hours per week.

Service Purchase Option

There is no provision in the Public Employees' Retirement Law which allows members to purchase furlough time.

AB 1651 (Chapter 574, Statutes of 2010)

Implementation of AB 1651 does not change the manner in which an employer reports payroll to CalPERS. Employers should continue to report the member's normal pay rate and the furlough reduced earnings to the System. Due to the variety and complexity of the furlough plans being administered among employers, CalPERS has determined that the most efficient approach to implement this legislation is through an annual adjustment process, in which CalPERS will request employers furnish furlough information.

Circular Letter 200-005-11 has more detailed information about AB 1651, and can be found on the CalPERS website at the following link: <http://www.calpers.ca.gov/eip-docs/employer/circulars/2011/200-005-11.pdf>

For more information, call the CalPERS Customer Contact Center at **888 CalPERS** (or **888-225-7377**).

REPORTING "PREMIUM PAY" UNDER THE FAIR LABOR STANDARDS ACT (FLSA)

The FLSA determines at what point premium pay must be paid to employees. However, "premium pay" time under the FLSA is not the same as overtime as defined by the Retirement Law. California G.C. section 20635 defines overtime for retirement purposes as "...the aggregate service performed by an employee...in excess of the hours of work considered normal for employees in the same group or class of employment on a full-time basis....".

For reporting to CalPERS, keep in mind you need to report all compensation that is paid for normal full-time service. When reporting "premium pay" (as defined by FLSA) care must be taken not to disturb the pay rate/earnings relationship so the member will receive the correct service credit.

If the member is being reported with a monthly pay rate, the member should continue to be reported with the regular monthly pay rate and earnings. The additional earnings the member receives (the "premium pay") should be reported as special compensation.

The following example is based on a firefighter whose normal full-time work schedule is 56 hours per week. FLSA states that premium pay must be paid on all hours worked above 53 hours per week up to what is considered normal for employees on a full-time basis. In this example, compensation would be reported at "straight time" for the entire 112 hours in the bi-weekly pay period (56 hours per week) on the normal payroll entry, and FLSA premium pay (3 hours of "half-time" pay) based on the 6 hours in the bi-weekly pay period (3 hours per week) would be reported in a second entry as special compensation. Any work performed above 56 hours per week would be considered overtime and would not be reported to CalPERS.

| SSN | Member Name | | | Coverage Group | Service Period | | | Pay Code | Pay Rate | Member Earnings | Member Paid Contribution | | | Survivor Contrib. Amount | Work Schedule Code | Unit Code | Tax Deferred Member Contribution | |
|-------------|-------------|---|---|----------------|----------------|------|------|----------|-----------|-----------------|--------------------------|------|--------|--------------------------|--------------------|-----------|----------------------------------|--------|
| | Last Name | F | M | | Mo | Year | Type | | | | Rate | Code | Amount | | | | Code | Amount |
| 000-00-0000 | Diaz | M | E | 74001 | 07 | 10 | 3 | 01 | 3,000.000 | 1,938.72 | 0.0900 | 00 | .00 | 0 | 243 | 000 | 11 | 174.48 |
| 000-00-0000 | Diaz | M | E | 74001 | 07 | 10 | 3 | 09 | 51.930 | 51.93 | 0.0900 | 00 | .00 | 0 | 000 | 000 | 16 | 4.67 |

If the member is being reported with an hourly pay rate, the member should continue to be reported with the regular hourly pay rate for all hours worked and the corresponding earnings in one entry and the additional earnings (the "premium pay") in another entry as special compensation.

| SSN | Member Name | | | Coverage Group | Service Period | | | Pay Code | Pay Rate | Member Earnings | Member Paid Contribution | | | Survivor Contrib. Amount | Work Schedule Code | Unit Code | Tax Deferred Member Contribution | |
|-------------|-------------|---|---|----------------|----------------|------|------|----------|----------|-----------------|--------------------------|------|--------|--------------------------|--------------------|-----------|----------------------------------|--------|
| | Last Name | F | M | | Mo | Year | Type | | | | Rate | Code | Amount | | | | Code | Amount |
| 000-00-0000 | Diaz | M | E | 74001 | 07 | 10 | 3 | 04 | 17.310 | 1,938.72 | 0.0900 | 00 | .00 | 0 | 560 | 000 | 11 | 174.48 |
| 000-00-0000 | Diaz | M | E | 74001 | 07 | 10 | 3 | 09 | 51.930 | 51.93 | 0.0900 | 00 | .00 | 0 | 000 | 000 | 16 | 4.67 |

PAYROLL REPORTING METHODS

This section describes the five basic methods of reporting payroll to CalPERS—pre-list, CalPERS Payroll reporting system, diskette, ACES and magnetic tape—and explains how to complete the various forms involved in the reporting process.

CHANGING REPORTING METHOD

Should you wish to change your reporting method, provide written notice for approval to the Payroll Processing Unit at least 30 days prior to the change. Study the method and specifications carefully to be sure that your organization can comply with the standards.

When your agency converts to the personal computer diskette method, or magnetic tape reporting method, parallel reports are required until you are notified that the computer generated reports are correct and compatible with CalPERS equipment. The first report using the new method should have a note enclosed indicating “first run.”

Frequency of reporting to CalPERS should always coincide with your payroll periods. If you wish to change your frequency, please provide written notice to the Payroll Processing Unit at least 30 days prior to the change.

SUBMITTING MULTIPLE REPORTS

Should you wish to begin submitting multiple payrolls for the same service period (same employer code and service period type code), or if you wish to increase the number of multiple payrolls to be submitted each period, contact the Payroll Processing Unit prior to sending the first reports. CalPERS will assign a 3-digit office code to each report. Office codes must be used on all subsequent payrolls so that CalPERS may separately identify them each service period.

CHANGING REPORTS TO INCLUDE EMPLOYER PAID MEMBER CONTRIBUTIONS OR TAX DEFERRED MEMBER CONTRIBUTIONS

Effective July 1983, it became mandatory for agencies who pay any portion of member contributions under G.C. section 20691 to designate those contributions separately on CalPERS reports. This way of reporting is also to be used by those employers who implement a program of deferring taxes on employee contributions to CalPERS under IRC 414(h)(2).

Agencies who report via pre-list method will see two columns on the **Payroll Listing Form** (PERS-AESD-625A) to be used for this purpose. Agencies who report via computerized methods will see the fields in the record formats and columns on the hardcopy payroll listing to be used for this purpose.

NOTE: The Automated Communication Exchanges System (ACES) is a highly secure online system that provides employers the ability to exchange membership, health, and payroll information with CalPERS on a transactional basis. Visit ACES on the CalPERS Web site at www.calpers.ca.gov.

PAYROLL REPORTING SYSTEM — PERSONAL COMPUTER METHOD + ACES

CALPERS PAYROLL REPORTING SYSTEM

The CalPERS Payroll Reporting System is a software package developed by CalPERS designed to replace the pre-list reporting method. The same restrictions apply concerning what data must be given and what must be left blank for the different contribution codes. The only difference is that you will now be entering the data on your PC instead of paper, allowing certain error checks to be done at the time the data is entered. Information on installing this system on your PC is available from the CalPERS Web site at **www.calpers.ca.gov** or contact the CalPERS Customer Contact Center at **888 CalPERS** (or 888-225-7377).

PAYROLL— ACES

The Automated Communication Exchange System—ACES—is an online system that provides employers the ability to exchange membership, health and payroll information with CalPERS on a transactional basis. ACES is free to all CalPERS business partners and can be accessed from an ordinary personal computer through a highly secure Internet web browser.

With Internet File Transfer, employers can transmit payroll files securely from their internal payroll system to CalPERS for processing. This functionality allows employers to leverage their existing systems to exchange information with CalPERS. There is no training required. A payroll representative can walk you through this process.

If your agency currently uses the CalPERS Payroll Reporting System, you can start transmitting your payroll through ACES almost immediately. We just need a completed **Employer User Security Agreement** (PERS-AESD-43) to set up the account administrator for your agency. A copy of the PERS-AESD-43 can be found on the following page or can be downloaded online at **www.calpers.ca.gov**.

Some of the advantages of transmitting payroll via ACES include:

- Payroll data is received and processed faster. Prior to ACES, employers gathered payroll information and sent it to CalPERS on diskettes or tapes for processing; CalPERS staff then processed the data manually. The process could take weeks. With ACES it now takes minutes.
- Simple edits to validate payroll format saves time. ACES performs a simple validation before it accepts payroll data to ensure that the required header, detail, and footer records are included. If any of these record types are missing, ACES provides online notification to the employer so they can correct the data immediately. This reduces time-consuming interaction between CalPERS and employers to correct invalid formats.
- Corruption of payroll media is minimized. The handling and processing of corrupt tapes, diskettes, and cartridges will be minimized with ACES since the system does not rely on external media to transmit data. ACES is able to detect corrupted files.
- Submitting payroll data via secure electronic connections reduces costs. Data delivery is streamlined through the use of secure electronic connections. Both CalPERS and employers save labor and postal costs related to the handling and loading of payroll data.

NOTE:

To sign up for ACES or to find out more about Payroll File Transfer, please visit the CalPERS Web site at **www.calpers.ca.gov** or contact the CalPERS Customer Contact Center at **888 CalPERS** (or 888-225-7377).

CALIFORNIA PUBLIC EMPLOYEES' RETIREMENT SYSTEM EMPLOYER USER SECURITY AGREEMENT

(TO BE COMPLETED BY EMPLOYER AND EMPLOYEE) (PLEASE COMPLETE ONLINE OR PRINT LEGIBLY)

| EMPLOYEE | | EMPLOYER |
|--|------------------------|--|
| Employee Name : | | Employer Name: |
| Employee Social Security Number: | Date of Birth: | Employer Code (CalPERS): |
| Employee Business Phone: | Employee Business Fax: | Employer Mailing Address: |
| Employee Business E-mail Address: | | Employer Physical Address: (if different than mailing) |
| <p><i>Please check all that apply:</i> <input type="checkbox"/> <i>Account Administrator</i> <input type="checkbox"/> <i>Internet Forms: Health</i> <input type="checkbox"/> <i>Internet Forms: Membership</i></p> <p> <input type="checkbox"/> <i>Public Agency Billing</i> <input type="checkbox"/> <i>Annual Member Statement Employer Report</i> <input type="checkbox"/> <i>Service Credit Purchase Status</i></p> <p> <input type="checkbox"/> <i>Participant Inquiry</i> <input type="checkbox"/> <i>Payroll File Transfer</i> <input type="checkbox"/> <i>Annual Employer Statement</i></p> | | |

By signing this document, the employee referenced above acknowledges reading, understanding, and agreeing to its contents and realizes the consequences of not complying with the terms stated below.

ACES User responsibilities:

- Passwords must be kept confidential. Reasonable precaution must be maintained including but not limited to:
 - Not sharing or allowing others access to your password for any reason
 - Securing the terminal with a password or locking device when logged onto ACES, when leaving the workstation
 - Immediately reporting any suspicious circumstances or unauthorized individuals observed in the work area to a supervisor
- Access and/or transmit information only relevant and necessary in the ordinary course of performing job official duties
- CalPERS record information shall only be disclosed to individuals when relevant and necessary when performing official duties. Unauthorized disclosures include, but are not limited to:
 - Disclosing social security number of another person when not part of job responsibilities
- CalPERS record information shall not be transmitted or used for personal reasons, including but not limited to:
 - Making personal inquiries of friends or relatives; accessing information about another person, including locating their residence address, for any reason that is not related to job responsibilities

ACES Administrators' responsibilities:

- Maintain all **California Public Employees' Retirement System Employer User Security Agreement** forms (AESD-43) and **Delete "ACES User Access"** forms (AESD-42) in a secured location
- Ensure Security Agreements are fully completed and signed by a manager or supervisor prior to processing or faxing to CalPERS. Completed forms may be faxed to 916-795-1523.
- Immediately fill out, electronically submit, and maintain a copy of the **Delete "ACES User Access"** form (AESD-42) for all ACES users who no longer have ACES access for two years
- Direct staff that:
 - Passwords must be kept confidential at all times and not be shared for any reason
 - Computer terminals must be secured with a password or locking device when unattended and logged into ACES
 - Suspicious circumstances and unauthorized individuals should be reported immediately to a manager or supervisor

I have read and understand the security policies stated above. I acknowledge and agree to utilize all CalPERS systems in accordance with the terms outlined in the California Public Employees' Retirement Law and CalPERS business practices, policies, and procedures. Failure to comply with these policies may result in revocation of my access to ACES, adverse action, and/or civil or criminal liability under applicable laws. I further understand that I can undergo disciplinary action from my employer up to and including termination of employment.

I certify under penalty of perjury, under the laws of the State of California, that the information provided above is true and correct.

The California Public Employees' Retirement System (CalPERS) collects personal information to administer the various programs, accessed through the Automated Communications Exchange System (ACES), for which it has responsibility. Employers may NOT share information with any other entity without the express written approval of CalPERS. The information contained in CalPERS records is confidential, and CalPERS is required by law to protect such information from unauthorized access, use, and disclosure.

| | |
|---|-------|
| Employee Signature: | Date: |
| Employer Signature: (Manager/Supervisor) | Date: |

This form must be completed for each employee using CalPERS online access and be available to CalPERS upon request. Forms must be **RETAINED IN A SECURE WORK SITE LOCATION** of the Employer, for the life of the Agreement and for two years following the deactivation or termination of the Agreement. CalPERS is to be notified immediately in the event that any of its sensitive or confidential information is subjected to unauthorized disclosure, modification or destruction. Completed forms may be faxed to 916-795-1523.

PERS-AESD-43 (03/07)

PAYROLL REPORTING SYSTEM — DISKETTE/MAGNETIC TAPE METHODS

If you are not using ACES to transmit your payroll file to CalPERS, you can submit your file on the following media: 3.5" diskette, 3490/3590 cartridge tape, or CD-ROM. While ACES is free of charge and requires no media to be used, employers using other methods must submit their own media each service period with payroll data written in the prescribed format. Due to identity theft concerns and the occurrence of errors in reused media, diskettes and CD-ROMs will be confidentially destructed and recycled, and not returned to the employer. Cartridge tapes will be returned within 120 days after processing.

NOTE:

To ensure the readability of data on diskettes, please follow proper diskette handling instructions, including use of the recommended protective shipping carton. Diskettes that are damaged or unreadable will need to be resubmitted.

A hard copy list (printed payroll listing) of the diskette, CD-ROM, or tape is also required to be submitted. This list should reflect the same data that is reported on your media. When last minute changes to the payroll report must be made that cannot be included on the media, they are to be shown on a **Supplemental Payroll Reporting Form** (PERS-AESD-624), not on the hard copy payroll listing. The **Supplemental Payroll Reporting Form** can be found can be downloaded from the CalPERS Web site at www.calpers.ca.gov.

NOTE:

If using the CalPERS Payroll Reporting System, be sure to select the A: drive before saving your payroll information, as the program automatically defaults to the C: drive. Please note that when creating a back-up diskette, you need to use the back-up program instead of the "Create a CalPERS Diskette" program. These are two completely different formats.

Your media, hard copy listing, and Supplemental Forms are combined with a **Summary Report** (PERS-AESD-626) and remittance, and mailed to:

CalPERS

P.O. Box 1982
Sacramento, CA 95812-1982

If your media is packaged and mailed separately from the remittance, please use the following address:

CalPERS

Attn: Customer Service and Outreach Division
P.O. Box 942709
Sacramento, CA 94229-2709

Reminder: A completed payroll report consists of all of the following elements:

- **Summary Report** (PERS-AESD-626)
- ACES file, Diskette, CD-ROM, or Tape
- Hard copy payroll listing
- **Supplemental Payroll Reporting Form** (PERS-AESD-624) (when necessary)
- Remittance made payable to CalPERS

DATA PROCESSING SPECIFICATIONS — DISKETTE/CD-ROM/TAPE

- Media must be in ASCII format.
- Files must be named "PERSFILE.TXT".
- Record length must be 96 characters, with a carriage return and line feed at the end of each record.
- A control record is required at the beginning of the detail and at the end.
- The record formats are shown in this section of the manual, along with the print layout for the payroll listing.

If you use the protective envelope for external labeling, be sure the permanent label on the diskette has identification (i.e., employer code).

DATA PROCESSING SPECIFICATIONS — DISKETTE/CD-ROM

The external label should appear as follows:

| EXTERNAL LABEL | | | |
|----------------|---|-------------|---|
| EMPLOYER CODE | A | OFFICE CODE | B |
| SERVICE PERIOD | C | | |
| RECORD COUNT | D | | |
| PREPARED BY | E | | |

| ITEM | BLOCK TITLE | INSTRUCTIONS |
|----------|------------------------|---|
| A | Employer Code | Enter the 4-digit employer code that CalPERS has assigned to your agency. If reporting multiple agencies on one media, enter each employer code. |
| B | Office Code | Enter the 3-digit office code only if your agency submits multiple payrolls (same employer code) for the same service period (same service period type code). The office code is assigned by CalPERS to differentiate these multiple reports. |
| C | Service Period (MMYYT) | Enter the 5-digit service period for which the media is being submitted: 2-digit month, 2-digit year (last 2 digits of year), and 1-digit type code. Example: Bi-weekly report, service period ends August 1, 2008, enter "08083." |
| D | Record Count | Enter the total count of records on the media. This count should equal the total record count on your final control record (trailer record). This count enables CalPERS to verify that all records have been read. |
| E | Prepared By | Enter the initials of the person responsible for external labeling. |

DATA PROCESSING SPECIFICATIONS — TAPE

The specifications for tape submissions are as follows:

- Submit 3490 or 3480 Cartridge Tape.
- EBCDIC must be the recording mode.
- Record length must be 96 characters.
- Block size is 10 records per block. Other block sizes are acceptable, provided the block size information is on file with CalPERS. (CalPERS will not attempt to process tapes with unknown block sizes).
- The tape should contain no internal label.
- A control record is required at the beginning of the contribution detail and at the end.
- If the final control record does not fill the block, complete the block with records containing all 'nines' (9).
- A terminating tape mark (TM) is required as the final item on the tape.
- The record formats for the tape are shown in this section of the manual, along with the print layout for the payroll listing.

EXTERNAL TAPE LABEL

An external tape label is required so that CalPERS can identify and properly process your agency's magnetic tape. The external label should appear as follows:

EXTERNAL TAPE LABEL

EMPLOYER CODE AOFFICE CODE BDEN C BLOCK SIZE DRECORD COUNT ESERVICE PERIOD FCREATION DATE G PREPARED BY HCOMMENTS I

| ITEM | Block | TITLE |
|------|------------------------|---|
| A | Employer Code | Enter the 4-digit employer code that CalPERS has assigned to your agency. |
| B | Office Code | Enter a 3-digit office code only if your agency submits multiple payrolls (same employer code) for the same service period (same service period type code). The office code is assigned by CalPERS to differentiate these multiple reports. |
| C | Density | Enter the appropriate density. |
| D | Block Size | Block size is 10 records per block. Enter "10". Exceptions to 10 records per block are only acceptable after written approval from CalPERS. (CalPERS will not attempt to process tapes with unknown block sizes). |
| E | Record Count | Enter the total count of records on the tape. This count should equal the total record count on your final control record (trailer record). This count enables CalPERS to verify that all records have been read. |
| F | Service Period (MMYYT) | Enter the 5-digit service period for which the tape is being submitted: 2-digit month, 2-digit year (last 2 digits of year), and 1-digit type code. Example: Bi-weekly report, service period ends August 1, 2008; enter "08083". |
| G | Creation Date (MMDDY) | Enter the date the tape was created: 2-digit month, 2-digit day, last digit of the year. Example: Tape was created on August 6, 2008: enter "08068". |
| H | Prepared By | Enter the initials of the person responsible for external labeling. |
| I | Comments | Left blank for your use. |

DATA PROCESSING SPECIFICATIONS—DISKETTE/CD-ROM/TAPE

All monetary fields except pay rate may be reported as negative values. The values for minus zero through nine in the right-most (low-order) position of the negative field are shown in the table below:

NEGATIVE VALUES FOR DISKETTE/CD ROM/TAPE

| VALUE | EBCDIC CHARACTER | DISKETTE/CD-ROM/TAPE | |
|-------|------------------|----------------------|-----|
| | | BINARY | HEX |
| —0 | } | 1101 0000 | D0 |
| —1 | J | 1101 0001 | D1 |
| —2 | K | 1101 0010 | D2 |
| —3 | L | 1101 0011 | D3 |
| —4 | M | 1101 0100 | D4 |
| —5 | N | 1101 0101 | D5 |
| —6 | O | 1101 0110 | D6 |
| —7 | P | 1101 0111 | D7 |
| —8 | Q | 1101 1000 | D8 |
| —9 | R | 1101 1001 | D9 |

All monetary fields in the report must be zero-filled. For example, to report member earnings (positions 50–56) of \$1,250.00, position 50 must contain a zero to fill the entire field:

| | | | | | | |
|----|----|----|----|----|----|----|
| 0 | 1 | 2 | 5 | 0 | 0 | 0 |
| 50 | 51 | 52 | 53 | 54 | 55 | 56 |

Monetary fields are:

| Field | Two Digit Year Service Period | Four Digit Year Service Period |
|---|----------------------------------|-----------------------------------|
| | Position | Position |
| Pay Rate | 42–49..... | 44–51 |
| Member Earnings | 50–56..... | 52–58 |
| Member Normal Contribution Amount | 57–62..... | 59–64 |
| Survivor Contribution..... | 69–71..... | 71–73 |
| Tax Deferred Member Contribution | 75–80..... | 77–82 |

REPORTING ADDRESSES BY MAGNETIC TAPE FOR ANNUAL STATEMENTS

Agencies with electronic data processing equipment with a tape installation can have their members' Annual Statements addressed with individual member addresses by sending an address tape to the System. In order to have the addresses printed on statements, the address tape should reach the System prior to August 1. The tape label should state that it is an address tape.

Mail the tape to: **CalPERS**, Information Processing Unit, P.O. Box 942704, Sacramento, CA 94229-2704

| Address Record | | | | |
|----------------|-----|---|-----|--|
| | 1 | - | 9 | Social Security Number |
| | 10 | - | 13 | Employer Code |
| | 14 | - | 19 | Employee Number |
| | 20 | - | 31 | Name (optional) |
| | 32 | - | 61 | Address—line 1 |
| | 62 | - | 91 | Address—line 2 |
| | 92 | - | 121 | Address—line 3 |
| | 122 | - | 150 | Address—line 4 |
| | 151 | - | 152 | 152nd position of record must be blank |

Address records must be blocked twenty (20) records per block (3,040 characters). The last block of address records may be less than twenty (20) records, or the balance of the block must be padded with 9's. The last address block should be followed by an inter-record gap, followed by a tape mark.

NOTE: This tape must not have a tape header or a tape trailer label. Tape density should be 6250 BPI.

PAYROLL REPORTING SYSTEM — DISKETTE/MAGNETIC TAPE METHODS TWO DIGIT SERVICE PERIOD YEAR

| RECORD FORMATS | FIRST CONTROL RECORD (Header) | | | | | |
|----------------|-------------------------------|------------|--------------------------|---------------|---------------|-----------------|
| | Position | Field Size | Field Name | Alpha Numeric | Cobol Picture | Constant Value |
| | 1 | 1 | Record I.D. | N | 9 | "0" |
| | 2-5 | 4 | Employer Code | N | 9(4) | |
| | 6-8 | 3 | Unit Code | N | 9(3) | |
| | 9-17 | 9 | Filler | N | 9(9) | All Zeros |
| | *18-19 | 2 | Service Period Month | N | 99 | |
| | *20-21 | 2 | Service Period Year | N | 99 | |
| | *22 | 1 | Service Period Type Code | N | 9 | |
| | 23-34 | 12 | Identifier | AN | X(12) | "CONT. PAYROLL" |
| | 35-39 | 5 | Creation Date (MMDDYY) | N | 9(5) | |
| | 40-42 | 3 | Office Code | N | 9(3) | |
| | **43 | 1 | Special Indicator | N | 9 | |
| | 44-96 | 53 | Unused | AN | X(53) | All Spaces |

| | RECORD DESCRIPTION | | | | | |
|--|--------------------|------------|--------------------------|---------------|---------------|----------------|
| | Position | Field Size | Field Name | Alpha Numeric | Cobol Picture | Constant Value |
| | 1 | 1 | Record I.D. | N | 9 | "1" |
| | 2-5 | 4 | Employer Code | N | 9(4) | |
| | 6-8 | 3 | Unit Code | N | 9(3) | |
| | 9-17 | 9 | Social Security Number | N | 9(9) | |
| | 18-19 | 2 | Service Period Month | N | 99 | |
| | 20-21 | 2 | Service Period Year | N | 99 | |
| | 22 | 1 | Service Period Type Code | N | 9 | |
| | 23-32 | 10 | Last Name | AN | X(10) | |
| | 33 | 1 | First Initial | AN | X | |
| | 34 | 1 | Middle Initial | AN | X | |
| | 35-39 | 5 | Coverage Group | N | 9(5) | |
| | 40-41 | 2 | Pay Code | N | 99 | |
| | 42-49 | 8 | Pay Rate | N | S9(5)V999 | |

| | | | | | | |
|--|-------|----|-----------------------|---|----------|--|
| | 50–56 | 7 | Member Earnings | N | S9(5)V99 | |
| | 57–62 | 6 | Member Normal | N | S9(4)V99 | |
| | 63–64 | 2 | Member Normal | N | 99 | |
| | | | Contribution Code | | | |
| | 65–68 | 4 | Contribution Rate | N | V9999 | |
| | 69–71 | 3 | Survivor Contribution | N | S9V99 | |
| | 72–74 | 3 | Work Schedule Code | N | 9(3) | |
| | 75–80 | 6 | Tax Deferred Member | N | S9(4)V99 | |
| | | | Contribution Amount | | | |
| | 81–82 | 2 | Tax Deferred Member | N | 99 | |
| | | | Contribution Code | | | |
| | 83–96 | 14 | Unused | | | |

* Service period on first control record must be the current period being reported.

** Special indicator is used to indicate “this payroll is a special payroll” constant value = 0 for normal payroll or 1 for special payroll.

| | Position | Field Size | LAST CONTROL RECORD (Trailer) | | | |
|--|----------|------------|--------------------------------------|---------------|---------------|----------------|
| | | | Field Name | Alpha Numeric | Cobol Picture | Constant Value |
| | 1 | 1 | Record I.D. | N | 9 | “9” |
| | 2–5 | 4 | Employer Code | N | 9(4) | |
| | 6–8 | 3 | Unit Code | N | 9(3) | |
| | 9–17 | 9 | Filler | N | 9(9) | All Nines |
| | *18–19 | 2 | Service Period Month | N | 99 | |
| | *20–21 | 2 | Service Period Year | N | 99 | |
| | *22 | 1 | Service Period Type Code | N | 9 | |
| | 23–34 | 12 | Filler | AN | X(12) | “TRAIL RECORD” |
| | 35–39 | 5 | Total Record Count | N | 9(5) | † |
| | 40–96 | 57 | Unused | AN | X(57) | All Spaces |

* Service period on last control record must be the current period being reported.

† Total Count of Contribution Detail Records.

PAYROLL REPORTING SYSTEM — DISKETTE/MAGNETIC TAPE METHODS FOUR DIGIT SERVICE PERIOD YEAR

| RECORD FORMATS | FIRST CONTROL RECORD (Header) | | | | | |
|----------------|-------------------------------|------------|--------------------------|---------------|---------------|-----------------|
| | Position | Field Size | Field Name | Alpha Numeric | Cobol Picture | Constant Value |
| | 1 | 1 | Record I.D. | N | 9 | "0" |
| | 2-5 | 4 | Employer Code | N | 9(4) | |
| | 6-8 | 3 | Unit Code | N | 9(3) | |
| | 9-17 | 9 | Filler | N | 9(9) | All Zeros |
| | *18-19 | 2 | Service Period Month | N | 99 | |
| | *20-23 | 4 | Service Period Year | N | 99 | |
| | *24 | 1 | Service Period Type Code | N | 9 | |
| | 25-36 | 12 | Identifier | AN | X(12) | "CONT. PAYROLL" |
| | 37-41 | 5 | Creation Date (MMDDYY) | N | 9(5) | |
| | 42-44 | 3 | Office Code | N | 9(3) | |
| | **45 | 1 | Special Indicator | N | 9 | |
| | 46-96 | 51 | Unused | AN | X(53) | All Spaces |

| | RECORD DESCRIPTION | | | | | |
|--|--------------------|------------|--------------------------|---------------|---------------|----------------|
| | Position | Field Size | Field Name | Alpha Numeric | Cobol Picture | Constant Value |
| | 1 | 1 | Record I.D. | N | 9 | "1" |
| | 2-5 | 4 | Employer Code | N | 9(4) | |
| | 6-8 | 3 | Unit Code | N | 9(3) | |
| | 9-17 | 9 | Social Security Number | N | 9(9) | |
| | 18-19 | 2 | Service Period Month | N | 99 | |
| | 20-23 | 4 | Service Period Year | N | 99 | |
| | 24 | 1 | Service Period Type Code | N | 9 | |
| | 25-34 | 10 | Last Name | AN | X(10) | |
| | 35 | 1 | First Initial | AN | X | |
| | 36 | 1 | Middle Initial | AN | X | |
| | 37-41 | 5 | Coverage Group | N | 9(5) | |
| | 42-43 | 2 | Pay Code | N | 99 | |
| | 44-51 | 8 | Pay Rate | N | S9(5)V999 | |
| | 52-58 | 7 | Member Earnings | N | S9(5)V99 | |

| | Position | Field Size | Field Name | Alpha Numeric | Cobol Picture | Constant Value |
|--|----------|------------|---|---------------|---------------|----------------|
| | 59–64 | 6 | Member Normal Contribution Amount | N | S9(4)V99 | |
| | 65–66 | 2 | Member Normal Contribution Code | N | 99 | |
| | 67–70 | 4 | Contribution Rate | N | V9999 | |
| | 71–73 | 3 | Survivor Contribution | N | S9V99 | |
| | 74–76 | 3 | Work Schedule Code | N | 9(3) | |
| | 77–82 | 6 | Tax Deferred Member Contribution Amount | N | S9(4)V99 | |
| | 83–84 | 2 | Tax Deferred Member Contribution Code | N | 99 | |
| | 85–96 | 12 | Unused | | | |

* Service period on first control record must be the current period being reported.

** Special indicator is used to indicate “this payroll is a special payroll” constant value = 0 for normal payroll or 1 for special payroll.

| | Position | Field Size | LAST CONTROL RECORD (Trailer) | | | |
|--|----------|------------|--------------------------------------|---------------|---------------|----------------|
| | Position | Field Size | Field Name | Alpha Numeric | Cobol Picture | Constant Value |
| | 1 | 1 | Record I.D. | N | 9 | “9” |
| | 2–5 | 4 | Employer Code | N | 9(4) | |
| | 6–8 | 3 | Unit Code | N | 9(3) | |
| | 9–17 | 9 | Filler | N | 9(9) | All Nines |
| | *18–19 | 2 | Service Period Month | N | 99 | |
| | *20–23 | 4 | Service Period Year | N | 99 | |
| | *24 | 1 | Service Period Type Code | N | 9 | |
| | 25–36 | 12 | Filler | AN | X(12) | “TRAIL RECORD” |
| | 37–41 | 5 | Total Record Count | N | 9(5) | † |
| | 42–96 | 57 | Unused | AN | X(57) | All Spaces |

* Service period on last control record must be the current period being reported.

† Total Count of Contribution Detail Records.

PRE-LIST (PERS-AESD-625A)

The pre-list method is a manual method of reporting payroll to CalPERS for employers who do not have access to a personal computer. With this method, CalPERS stores the latest payroll transactions received from an employer and prepares a detailed list of the information on a **Payroll Listing Form** (PERS-AESD-625A). This pre-list is mailed to the employer for use in preparing the payroll for the next service period.

The components of the pre-list method are:

1. **Payroll Listing Form**—PERS-AESD-625A (pre-list).
2. **Summary Report, Member and Employer Contributions**—PERS-AESD-626.
3. Remittance payable to CalPERS.

The updated pre-list (PERS-AESD-625A), **Summary Report** (PERS-AESD-626) and the remittance are mailed to:

CalPERS
P.O. Box 1982
Sacramento, CA 95812-1982.

WHEN TO COMPLETE

Update and return the pre-list Payroll Listing to CalPERS each service period. Failure to comply within the specified time period will result in administrative and/or delinquency charges.

SPECIAL INSTRUCTIONS

1. Return the original PERS-AESD-625A, including the Summary Worksheet page, and keep a copy for your records.
2. The office code and batch number in the upper left hand corner of the Payroll Listing are assigned by CalPERS for identification purposes. Please do not change either of these items or combine pages of listings with different batch numbers or office codes in a single report.
3. The reference number which appears in the first column of the Payroll Listing is assigned by CalPERS as an aid in referencing the record. Do not change or add a reference number for any transaction.
4. For basic information on each item used in a payroll entry, see "Payroll Reporting Elements" in this manual.
5. Burst the payroll report and submit the pages in numerical order with the summary worksheet page last. The summary report (PERS-AESD-626) is attached to the front of the entire payroll.

STATE OF CALIFORNIA

FOR INSTRUCTIONS ON COMPLETING THIS FORM, REFER TO THE MATERIAL ON THE PAYROLL LISTING FOUND IN THE PAYROLL REPORTING SECTION OF THE PROCEDURES MANUAL (PERS-ADM-00-430)

| EMPLOYER | SERVICE PERIOD | | |
|----------|----------------|------|------|
| | | | |
| CODE | MONTH | YEAR | TYPE |

| | |
|--------|--------|
| OFFICE | BATCH |
| | |
| CODE | NUMBER |

PAYROLL LISTING FOR PUBLIC EMPLOYEES' RETIREMENT SYSTEM

| SERVICE PERIOD TYPE CODES | |
|-----------------------------|------|
| ITEM | CODE |
| MONTHLY | 0 |
| SEMI-MONTHLY - 1ST HALF | 1 |
| SEMI-MONTHLY - 2ND HALF | 2 |
| BI-WEEKLY - 1ST PAYROLL | 3 |
| BI-WEEKLY - 2ND PAYROLL | 4 |
| BI-WEEKLY - 3RD PAYROLL | 5 |
| QUADRI-WEEKLY - 1ST PAYROLL | 6 |
| QUADRI-WEEKLY - 2ND PAYROLL | 7 |

| PAY CODES | |
|---|------|
| ITEM | CODE |
| MONTHLY PAY RATE | 01 |
| HOURLY PAY RATE | 04 |
| DAILY PAY RATE | 06 |
| MISC. PAY RATE | 09 |
| (FOR SPECIAL COMPENSATION REPRESENTING NO ADDITIONAL SERVICE) | |

| CONTRIBUTION CODES | | |
|----------------------------|--------------------|-----------------------------|
| ITEM | NORMAL COL (10) | TAX DEFERRED COL (15) |
| NORMAL CURRENT CONTR. | 01 | 11 |
| PRIOR PERIOD CONTR ADJUST. | 02 | 12 |
| PRIOR PERIOD EARNINGS ADJ. | 03 | 13 |
| CONTRIBUTION RECEIVABLE | 04 | 14 |
| RETROACTIVE SALARY ADJ. | 05 | 15 |
| SPECIAL COMPENSATION | 06 | 16 |
| SUBSIDIZED CONTRIBUTIONS | 07 | - |
| ADDITIONAL CONTRIBUTIONS | - | - |
| EMPLOYEE PAID | 08 | - |
| EMPLOYER PAID | 09 | - |

[illegible]

| | | |
|--------|----------|----------|
| PAGE | EMPLOYER | EMPLOYER |
| | | |
| NUMBER | CODE | NAME |

| PAGE TOTALS | | | | |
|-----------------|-----------------------------|--------------------------|------------------------|--------------------------|
| MEMBER EARNINGS | NORMAL MEMBER CONTRIBUTIONS | ADDITIONAL CONTRIBUTIONS | SURVIVOR CONTRIBUTIONS | TAX DEFERRED MEM. CONTR. |
| | | | | |

PAYROLL LISTING—PRE-LIST INSTRUCTIONS FOR COMPLETION

1. Enter the current service period on every page in the “Service Period” block, upper left-hand corner.
2. Add those payroll entries which apply to the current service period being reported and are not included on the Payroll Listing supplied by CalPERS. Make any additions by entering all the necessary data on the line following the last payroll entry on the Payroll Listing, or on a blank PERS-AESD-625A. DO NOT enter additions BETWEEN lines of the pre-printed data. Do not make additions on the Summary Worksheet (final page) of the Payroll Listing. Arrange the additions in member surname alphabetical sequence, or, if unit codes are used, arrange the additions alphabetically within unit groupings.

Do not assign reference number; CalPERS assigns.

| Reference Number | Social Security | Member Name (last, first) | Coverage Group | Service Period | Pay Code | Pay Rate | Member Earnings | Contrib. Rate | Normal member contrib. code | Amount | Survivor Contrib. | Work Schedule Code | Unit Code | Tax Deferred Member Contrib. Code | Amount |
|------------------|-----------------|---------------------------|----------------|----------------|----------|-------------------|--------------------|---------------|-----------------------------|------------------|-------------------|--------------------|-----------|-----------------------------------|------------------|
| 001 | 000-00-0000 | Ross, S | 70001 | | 01 | 2000.000 | 2000.00 | 0700 | 01 | 70.00 | 2.00 | 173 | 100 | 11 | 70.00 |
| 002 | 000-00-0000 | Sun, K | 70001 | | 04 | 11.530 | 1144 | 0700 | 01 | 40.04 | 2.00 | 400 | 100 | 11 | 40.04 |
| 003 | 000-00-0000 | Rock, J | 70001 | | 04 | 12.500 | 2123.33 | | | 74.32 | 2.00 | | 100 | 11 | 74.32 |
| | | | | | | 12.000 | 2080.00 | 0700 | 01 | 72.80 | | 400 | | | 72.80 |
| 004 | 000-00-0000 | Ball, L | 70001 | | 01 | 2500.000 | 2500.00 | 0700 | 01 | 87.50 | 2.00 | 173 | 100 | 11 | 87.50 |
| ADD | 000-00-0000 | Carter, C | 70001 | | 04 | 12.000 | 2000.00 | 0700 | 01 | 72.80 | 2.00 | 400 | 100 | 11 | 72.80 |

3. Change any information (such as earnings, contributions, Social Security Number) that is shown incorrectly on the Payroll Listing. Make a change by drawing a single line through the incorrect information (the entire field, not just the incorrect digit or letter), entering the new data immediately above, and circling the reference number on the line being changed. Do not line out too heavily as the data must be visible for modification by CalPERS.
4. Delete payroll entries that do not apply to the current service period. Make a deletion by drawing a single line through all the printed data. Do not line out too heavily as the data must be visible for deletion by CalPERS.

PAYROLL LISTING

ALL COMPUTERIZED REPORTING METHODS

The payroll listing is a hard copy print-out of the transactions reported on the diskette or tape. It is used along with the diskette or tape to process the payroll for a particular service period. However, a hard copy print-out is not necessary if you are using the Automated Communications Exchange System (ACES).

WHEN TO COMPLETE

Print the payroll listing each time a diskette or tape is prepared for submitting payroll transactions to CalPERS.

SPECIAL INSTRUCTIONS

1. The information shown on the payroll listing must agree with the information on the diskette or tape. Do not make manual changes to the payroll listing; use a **Supplemental Payroll Reporting Form** (PERS-AESD-624) for this purpose.
2. Arrange the names on the listing in alphabetical order by surname and unit code or by Social Security Number in ascending order by unit code. For balancing purposes, coverage group codes should be reported separately by unit.
3. The payroll listing should be printed on standard stock computer paper 14" to 14 7/8" by 11". The listing may be printed with the paper turned vertically or horizontally. The paper may range in weight from 14 to 20 pounds. The payroll listing may be printed on 8 1/2" X 11" paper subject to prior approval by CalPERS. The listing should be printed on one side only. Front to back copies will be returned and may be subject to administrative charges.
4. Include the headings on every page of the payroll listing.
5. Allow one inch margins at the top and bottom of each page.
6. When unit codes are used, include totals by unit as well as by page.
7. The final page must have overall totals. The totals **MUST** agree with those on the **Summary Report, Member and Employer Contributions** (PERS-AESD-626) unless a **Supplemental Payroll Reporting Form** (PERS-AESD-624) is used. In the latter case, these totals should be carried to the **Supplemental Payroll Reporting Form** where they would be adjusted.
8. Burst the payroll listing before submitting it to CalPERS.

SUPPLEMENTAL PAYROLL REPORTING FORM ALL COMPUTERIZED REPORTING METHODS (PERS-AESD-624)

The **Supplemental Payroll Reporting Form** (PERS-AESD-624) is used by employers reporting via diskette or tape to manually include last minute changes or corrections to the reports being submitted for a service period. The data on the hard copy payroll listing must agree with the diskette or tape. DO NOT make manual changes to the payroll listing. Use the PERS-AESD-624 for this purpose.

WHEN TO COMPLETE

Complete the Supplemental Payroll Reporting Form only when last minute changes to the report are necessary.

SPECIAL INSTRUCTIONS

1. The Supplemental Payroll Reporting Form is to be used only for last minute changes when the payroll cannot be re-run. Since your computer system should be designed to handle the reporting requirements outlined in this manual, the Supplemental Payroll Reporting Form is not to be used to handle computer system problems.

A maximum of five completed pages of forms will be accepted for any one payroll. If more than five are submitted, CalPERS will charge the agency key entry costs of \$0.60 a line with a \$25.00 minimum. An alternative is to submit an additional diskette or tape with a hard copy and **Summary Report** (PERS-AESD-626) all labeled as a "Special" report.

2. Complete the PERS-AESD-624 in duplicate; send the original copy to CalPERS along with the **Payroll Listing**, tape or diskette and the **Summary Report, Member and Employer Contributions** (PERS-AESD-626). Keep the duplicate for your files.
3. For basic information on each item used to complete this form, see "PAYROLL REPORTING ELEMENTS" in this section.

SUPPLEMENTAL PAYROLL REPORTING FORM (PERS-AESD-624)

SUPPLEMENTAL FORM (PERS-AESD-624) INSTRUCTIONS

| BLOCK TITLE | INSTRUCTIONS |
|---|---|
| Employer Code | Enter the 4-digit employer code assigned by CalPERS. It is found in the Annual Employer Statement. |
| Office Code | This CalPERS assigned code is required only for agencies who regularly submit more than one payroll for the service period (using the same employer code and service period type code). Enter the 3-digit code assigned to this payroll. Leave blank if your agency does not use office codes. |
| Employer Name | Enter the full name of your agency. |
| Service Period | Enter the 5-digit service period for which the Supplemental Payroll Reporting Form is being submitted; 2-digit month, 2-digit year (last 2 digits of year), and 1-digit type service period code. Use the same service period here as on the Summary Report, Member and Employer Contributions (PERS-AESD-626). |
| Special Payroll | Check this block only when you are submitting an entire payroll that is reporting a special situation, such as a retroactive raise or mass correction. Leave blank when it does not apply. |
| Total Member Earnings | Enter the total of member earnings from the diskette or tape before changes from the Supplemental Payroll Reporting Form are applied. |
| Total Normal Contributions | Enter the total of contribution codes 01, 02, 03, 04, 05 and 06 from the diskette or tape, before changes from the Supplemental Payroll Reporting Form are applied. |
| Total Tax Deferred Contributions | Enter the total of contribution codes 11, 12, 13, 14, 15, and 16 from the diskette or tape, before changes from the Supplemental Payroll Reporting Form are applied. (Leave blank when there are no tax deferred member contributions.) |
| Total Additional Contributions | Enter the total of additional contributions (contribution codes 08 and 09) from the diskette or tape before changes from the Supplemental Payroll Reporting Form are applied. Leave blank when no additional contributions are reported. |
| Total Survivor Contributions | Enter the total of survivor contributions from the diskette or tape before changes from the Supplemental Payroll Reporting Form are applied. Leave blank when no survivor contributions are reported. |
| Total Member Earnings | Calculate the sum of the Total Member Earnings block (top of page) and the Member Earnings column. Enter the new total in the Total Member Earnings block (bottom of page). If more than one page is being used, enter the total on the final page only. Enter this total in Item 5 on the Summary Report (PERS-AESD-626). |
| Total Normal Contributions | Calculate the sum of the Total Normal Contributions (top of page) and the Normal Member Contributions Amount column, excluding contribution codes 08 and 09. Enter the new total in the Total Normal Contributions block at the bottom of the page. If more than one page is being used, enter the total on the final page only. Enter this total in Item 7 on the Summary Report (PERS-AESD-626). |
| Total Tax Deferred Contributions | Calculate the sum of the Total Tax Deferred Contributions block at the top of the page and the Tax Deferred Member Contributions column. Enter the new total in the Total Tax Deferred Contributions block at the bottom of the page. DO NOT include amounts reported as contribution codes 08 or 09. If more than one page is being used, enter the total on the final page only. Enter this total in Item 8 on the Summary Report (PERS-AESD-626). |
| Total Additional Contributions | Calculate the sum of the Total Additional Contributions block at the top of the page and amounts reported as contribution codes 08 and 09 in the Normal Member Contributions Amount column. Enter the new total in the Total Additional Contributions block at the bottom of the page. If more than one page is being used, enter the total on the final page only. Enter this total in Item 9 on the Summary Report (PERS-AESD-626). |
| Total Survivor Contributions | Calculate the sum of the Total Survivor Contributions block at the top of the page and the Survivor Contribution column and enter the new total in the Total Survivor Contributions block at the bottom of the page. If more than one page is being used, enter the total on the final page only. Enter this total in Item 11 on the Summary Report (PERS-AESD-626). |

SUPPLEMENTAL PAYROLL REPORTING FORM (PERS-AESD-624)

Examples (Sample entries follow):

1. A new CalPERS member, Frank P. Howard, came to work near the end of the current service period. The payroll office was notified after the payroll was run but before submitting it to CalPERS. You need to add this member on the PERS-AESD-624.
2. One of your members, Donald Ramos, separated from employment with your agency at the end of the last reported service period. The payroll office was notified after the payroll was run but before submitting it to CalPERS. To delete this member from the payroll, enter the transaction exactly as it appears on the diskette or tape and enter negative money amounts (-) before the Member Earnings, Normal Member Contribution Amount, Survivor Contribution, and Tax Deferred Member Contribution Amount.
3. One of your members, Pamela T. Yuen, did not work a full pay period last month. Her earnings were less than that reported on the payroll. Since the payroll has not yet been submitted to CalPERS, you may make the adjustment on the PERS-AESD-624. Do this by making two payroll entries: (a) one reversing out the entry exactly as it shows on the diskette or tape, but with negative money amounts in the Member Earnings, Normal Member Contribution, Survivor Contribution, and Tax Deferred Member Contribution Amount areas; and (b) the corrected entry.

REPORTING DEADLINES, PENALTIES, WAIVERS, AND EXTENSIONS

CalPERS may, for good cause, grant an extension of time for the payment of contributions and/or the filing of payroll reports, provided a written request for such extension is received by CalPERS Headquarters in Sacramento at least 10 days before it becomes delinquent. The extension can be for a single service period or it can cover up to one fiscal year. In the latter case, the circumstances surrounding the need for an extension would need to be re-evaluated each fiscal year.

CalPERS may waive delinquent charges upon satisfactory proof of conditions existing beyond the employer's control. Normally, CalPERS does not consider internal procedures or payment processes utilized by an employer as acceptable justification for late reporting and contribution payments. Requests for waivers should be submitted in writing to CalPERS Headquarters in Sacramento on or immediately after the date the payroll reports and/or contributions are due. Requests for time extensions and delinquency waivers may be submitted using the **CalPERS Request for Time Extension and Delinquency Waiver** (PERS01E0001). This form can be found on the CalPERS Web site at **www.calpers.ca.gov** in the CalPERS Retirement Program Forms section.

Requests for extensions or waivers may be mailed to the address below:

CalPERS

Attn: Customer Account Services Division
Payroll Processing Unit
P.O. Box 942709
Sacramento, CA 94229-2709

Or faxed to: (916) 795-3005
Attention: Delinquency Control

NOTE:

Member accounts will not receive full interest credit for the fiscal year if the payroll reports for the May and prior service periods are not received by June 30. The June payroll period report must be received on or before July 31.

REPORTING DEADLINES, ADMINISTRATIVE AND DELINQUENCY CHARGES

All payroll reports must be received by CalPERS Headquarters within 30 calendar days after the close of a service period, or 20 calendar days after CalPERS mails the pre-list for that service period, whichever is later. If an employer fails to file a payroll report on time, CalPERS will assess a minimum administrative charge of \$200 for every report that is late. This charge will cover the added costs of follow-up and special handling.

Delinquency charges are covered in more depth in the Summary Report section of this chapter.

CalPERS will only consider a payroll report "received" if the report is complete and correct according to the requirements set forth in this manual. Payroll reports that cannot be processed routinely will be returned to the employer for correction.

- Member and employer contributions must be received by CalPERS Headquarters within 15 calendar days after the close of a service period.
- If an employer fails to pay at least 90% of the contributions on time, CalPERS may assess an interest charge on the amount outstanding from the date the contributions were due to the date they were actually received. The interest rate used will be the rate CalPERS earns on short term investments. (G.C. section 20120-20124) (CCR 565.2)

AGENCIES REPORTING BY PRE-LIST

If the agency does not have a pre-list to send, it is the agency's responsibility to request a pre-list so that the current payroll may be filed. If an employer needs a pre-list, they can call the CalPERS Customer Contact Center at **888 CalPERS** (or **888-225-7377**).

SUMMARY REPORT MEMBER AND EMPLOYER CONTRIBUTIONS (PERS-AESD-626) ALL REPORTING METHODS

NOTE:

Beginning with the July 2011 payroll reporting period and forward, the AESB 626 will no longer be used to submit contributions to CalPERS. To submit contributions follow the directions as indicated per Circular Letter 200-026-11.

WHEN TO COMPLETE

Complete the summary report any time contributions are submitted to CalPERS. Exception: Adjustment payments may be submitted separately with a **Notice of Adjustment** (PERS-ACC-1520) or a **Notice of Adjustment, Employer Contributions** (PERS-ACC-344).

SPECIAL INSTRUCTIONS

- Prepare the Summary Report in triplicate; submit the original and first copy to CalPERS. Retain the second copy for your records.
- Make the remittance payable to the California Public Employees' Retirement System. Include in the remittance any adjustments that are required; attach the PERS-ACC-1520 or PERS-ACC-344 to support any adjustments made. DO NOT include as part of the remittance any payments for Social Security, Health Benefits, Contingency Reserves Fund, administrative charges or delinquency charges.
- Current requirements per the California Code of Regulations (CCR 565.2) require that at least 90% of the Member and Employer contributions must be received in CalPERS Headquarters no later than 15 calendar days after the last day of the payroll period; and the remaining 10% and completed payroll report must be received in CalPERS Headquarters no later than 30 days after the ending date of the payroll period.
- If a completed payroll cannot be submitted within fifteen (15) days of the ending date of the payroll period, an advance payment of 90 percent of your agency's estimated contributions should be submitted. You then have 30 days from the ending date of your payroll period to send in the remainder of the money due and the corresponding pre-list or hard copy listing and tape or diskette.
- A \$200.00 administrative fee is assessed on the completed reports that are received late and CalPERS may assess an Interest Assessment (based on the average rate of return on short term investments earned by CalPERS during the month in which the monies were due) on monies that are received late. (G.C. section 20120-20124) (CCR 565.3)

FISCAL YEAR END REPORTING DEADLINES

All completed payroll reports for payroll periods ending on or before May 31 must be received in CalPERS Headquarters on or prior to the original due date or June 30, whichever is earliest. Failure to meet this deadline can result in the loss of interest posted to member accounts.

All completed payroll reports for payroll periods ending on or before June 30 must be received in CalPERS Headquarters on or prior to the original due date or July 31, whichever is earliest. Any completed payroll reports for payroll periods ending on or before June 30 but received after July 31 may not appear on the Annual Member Statement for that fiscal year.

Employers reporting by the pre-list method should use the Summary Worksheet of the **Payroll Listing** (PERS-AESD-625A) to prepare the Summary Report. Employers reporting via diskette or tape methods should use the adjusted totals on the **Supplemental Payroll Reporting Form** (PERS-AESD-624), if used, or the final totals on the last page of the hard copy payroll listing if a Supplemental Payroll Reporting Form is not used.

SUMMARY REPORT (PERS-AESD-626)

| BLOCK TITLE | INSTRUCTIONS |
|---|--|
| Employer Code | Enter the 4-digit employer code assigned by CalPERS. It is found in the Annual Employer Statement. |
| Employer Name | Enter the full name of your agency. |
| Office Code | <p>This CalPERS assigned code is required only for agencies who regularly submit more than one payroll for the service period (using the same employer code and service period type code).</p> <p>Enter the 3-digit code assigned to this payroll. Leave blank if your agency does not use office codes. If a county reports wage & contribution (payroll) information directly to CalPERS for trial court employees, the trial court should report an office code of "888" on all reports.</p> |
| Special Payroll | Check this block only when you are submitting an entire payroll that is reporting a special situation such as a retroactive raise or mass correction. Leave blank if it does not apply. |
| Signature | Have the person responsible for the accuracy of the entire payroll sign here after the form has been completed. |
| Date | Enter the date the Summary Report is signed. |
| Name and Title | Print or type the name and title of the person who signed in the Signature Block. |
| Telephone Number | Enter the area code and telephone number of the person signing the Summary Report. |
| Supplemental Payroll Reporting Form Attached | Check this block when a Supplemental Payroll Reporting Form (PERS-AESD-624) is attached. (This form is for diskette and tape methods only). |
| Service Period | <p>Enter the 5 digit service period for which the Summary Report is being submitted; 2-digit month, last 2 digits of year, and 1-digit type code.</p> <p>The service period shown here must agree with that shown on the Payroll Listing (all reporting methods) and Supplemental Payroll Reporting Form (PERS-AESD-624), if used (diskette and tape methods only).</p> <p>Whenever a special payroll is submitted to report entries relating to a prior service period(s), the service period shown here should be a current service period with the corresponding beginning and ending dates for that service period.</p> |
| Beginning Date | Enter the 6-digit date (MM DD YY) on which the service period being reported began. Example: 06 15 08 |
| Ending Date | Enter the 6-digit date (MM DD YY) on which the service period being reported ended. Example: 06 28 08 |
| 1. Coverage Group | Enter each of the coverage groups shown on the payroll, one per line. |
| 2. Employer Rate | Enter the current employer contribution rate that applies to each coverage group (see Annual Employer Statement). Only one employer rate may be used for each coverage group on the Summary Report. Even if adjustments are being made to a previous service period that had a different employer rate, you must use the current rate. |
| 3. Member Earnings | Enter the total member earnings for each coverage group. |
| 4. Employer Contributions | Multiply the member earnings by the corresponding employer rate for each coverage group and enter the resulting employer contributions. |

| BLOCK TITLE | INSTRUCTIONS |
|---|--|
| 5. Total Member Earnings | <p>Enter the sum of the Member Earnings column.</p> <p>For the pre-list method, this total must agree with that shown on the Summary Worksheet. For diskette and tape methods, this total must agree with that shown on the last page of the payroll listing and if used, the Supplemental Payroll Reporting Form (PERS-AESD-624). For ACES submittals, this must agree with the member earnings totals on ACES.</p> |
| 6. Total Employer Contributions | Enter the total of the Employer Contributions column. |
| 7. Normal (Member Contributions) | <p>Enter the total after tax member contributions due as shown on the payroll. This total does not include contributions reported under Contribution Codes 08 or 09.</p> <p>For the pre-list method, this total must agree with that shown on the Summary Worksheet. For diskette and tape methods, this total must agree with that shown on the last page of the payroll listing or, if a Supplemental Payroll Reporting Form (PERS-AESD-624) is used, the normal contributions shown on the Summary Report must agree with the total normal contributions shown on the Supplemental Payroll Reporting Form. For ACES submittals, this must agree with the normal member totals on ACES.</p> |
| 8. Tax Deferred (Member Contributions) | <p>Enter the total tax deferred member contributions due as shown on the payroll. This total does not include contributions reported under Contribution Codes 08 or 09.</p> <p>For the pre-list method, this total must agree with that shown on the Summary Worksheet. For diskette and tape methods, this total must agree with that shown on the last page of the payroll listing or, if a Supplemental Payroll Reporting Form (PERS-AESD-624) is used, the tax deferred contributions shown on the Summary Report must agree with the total normal contributions shown on the Supplemental Payroll Reporting Form. For ACES submittals, this must agree with the tax deferred totals on ACES.</p> |
| 9. Additional | <p>Enter the total of employee and employer paid additional contributions due as shown on the payroll (Contribution Codes 08 and 09 only).</p> <p>For the pre-list method, this total must agree with that shown on the Summary Worksheet. For diskette and tape methods, this total must agree with that shown on the last page of the payroll listing and, if used, the Supplemental Payroll Reporting Form (PERS-AESD-624). For ACES submittals, this must agree with the additional totals on ACES.</p> |
| 10. Sub-Total | Enter the totals of items 7, 8, and 9. |
| 11. Survivor Benefit | <p>Enter the total survivor contributions as shown on the payroll.</p> <p>For the pre-list method, this total must agree with that shown on the Summary Worksheet. For diskette and tape methods, this total must agree with that shown on the last page of the payroll listing and, if used, the Supplemental Payroll Reporting Form (PERS-AESD-624). For ACES submittals, this must agree with the survivor totals on ACES.</p> |
| 12. Total Member Contributions | Enter the total of Items 10 and 11. |

| BLOCK TITLE | INSTRUCTIONS |
|---|--|
| 13. Total Member and Employer Contributions | Enter the total of Items 6 and 12. |
| 14A. Surplus Asset: Miscellaneous Category | Surplus Assets are no longer used. Field should be left blank. For use of Superfunded Vouchers, please see CalPERS Circular Letter No. 200-013-09, dated March 5, 2009. |
| 14B. Surplus Asset: Safety Category | Surplus Assets are no longer used. Field should be left blank. For use of Superfunded Vouchers, please see CalPERS Circular Letter No. 200-013-09, dated March 5, 2009. |
| 14C. Adjustments: PERS-ACC-344/PERS-ACC-1520 | <p>Enter only the amount of adjustments shown by either the Notice of Adjustment, Employer Contributions (PERS-ACC-344), or the Notice of Adjustment (PERS-ACC-1520). Do not enter corrections of member earnings and member contributions made on the payroll listing. If more than one adjustment is being reported, enter the net amount to be adjusted.</p> <p>Attach the adjustment notice(s) to support the amount entered on this line.</p> |
| 15. Advance Payment | <p>This item is used in two ways:</p> <p>1) When submitting an advance payment, enter the amount being submitted. See ADVANCE PAYMENT SAMPLE for an example of how to complete the Summary Report for submitting an advance payment.</p> <p>2) When an advance payment has previously been submitted and this Summary Report contains the final payment and the payroll detail, enter the amount(s) submitted as an advance payment as a deduction to determine the balance due. Complete the Summary Report as you would for a regular payroll. See "SUMMARY SUBMITTED AFTER ADVANCE PAYMENT" sample for an example.</p> <p>In both cases, be certain to include the date that the advance was paid.</p> <p>If your check or warrant is more than the amount shown in block 16, "Balance Due," do not insert the difference (over-payment) here. CalPERS will send your agency an overpayment notice after the Summary Report has been processed.</p> |
| 16. Balance Due | <p>Enter the sum of Items 13, 14C, and 15.</p> <p>Prepare one check or warrant payable to the Public Employees' Retirement System for the amount entered on this line.</p> |

NOTE: A separate Summary Report must be submitted each service period for each employer code and office code.

EXAMPLE: SUMMARY SUBMITTED AFTER AN ADVANCE PAYMENT PERS-AESD-626

CALIFORNIA PUBLIC EMPLOYEES' RETIREMENT SYSTEM
400 P STREET, P.O. BOX 1982, SACRAMENTO, CA 95809-1982



SUMMARY REPORT MEMBER AND EMPLOYER CONTRIBUTIONS

FOR INSTRUCTIONS ON COMPLETING THIS FORM, REFER TO THE MATERIAL ON THE SUMMARY REPORT FOUND IN THE PAYROLL REPORTING SECTION OF THE PROCEDURES MANUAL (PERS-ADM-DO-430)

| ITEM | SERVICE PERIOD TYPE CODES | CODE |
|--------------------------|---------------------------|------|
| MONTHLY | | 0 |
| SEMI-MONTHLY-1ST HALF | | 1 |
| SEMI-MONTHLY-2ND HALF | | 2 |
| BI-WEEKLY-1ST PAYROLL | | 3 |
| BI-WEEKLY-2ND PAYROLL | | 4 |
| BI-WEEKLY-3RD PAYROLL | | 5 |
| QUADRIWEEKLY-1ST PAYROLL | | 6 |
| QUADRIWEEKLY-2ND PAYROLL | | 7 |

FOR CALPERS USE ONLY

| | | | |
|--|---|------------------------------------|--------------------------|
| EMPLOYER CODE: 0000 | EMPLOYER NAME: City of Wagonwheel | OFFICE CODE | COUNTY CODE 54 |
| CERTIFICATION I HEREBY CERTIFY THAT I AM THE DULY APPOINTED, QUALIFIED, AND ACTING OFFICER OF THE HEREIN NAMED EMPLOYER, AND THAT THE DATA AS SET FORTH ON THIS FORM AND THE SUPPORTING DOCUMENTS ARE TRUE AND CORRECT. | | SERVICE PERIOD | |
| | | MONTH 08 | YEAR 04 |
| SIGNATURE Juanita Moreno, Acct. Officer | | DATE: 9/1/2004 | |
| | | PHONE NO: (209) 555-5533 | |
| NAME AND TITLE (PRINT OR TYPE) Juanita Moreno, Acct. Officer | | ENDING DATE | |
| | | MONTH 08 | DAY 31 |

| EMPLOYER CONTRIBUTIONS | | | | MEMBER CONTRIBUTIONS | |
|---|------------------|--------------------|---------------------------|--|------------|
| 1. COVERAGE GRP. | 2. EMPLOYER RATE | 3. MEMBER EARNINGS | 4. EMPLOYER CONTRIBUTIONS | 7. NORMAL: | |
| 70001 | 13.583% | \$ 6876.00 | \$ 933.97 | | \$ 467.85 |
| 75001 | 26.826% | \$ 4160.00 | \$ 1115.96 | 8. TAX DEFERRED: | \$ 427.87 |
| | | | | 9. ADDITIONAL: | \$ 20.00 |
| | | | | 10. SUB-TOTAL (7+8+9): | \$ 915.72 |
| | | | | 11. SURVIVOR BENEFIT: | \$ 18.00 |
| | | | | 12. TOTAL MEMBER CONTRIBUTIONS | \$ 933.72 |
| 5. TOTAL MEMBER EARNINGS: | | | \$ 11036.00 | | |
| 6. TOTAL EMPLOYER CONTRIBUTIONS: | | | \$ 2049.93 | | |
| 13. TOTAL MEMBER AND EMPLOYER CONTRIBUTIONS: (ITEM 6 + ITEM 12) | | | | | \$ 2983.65 |
| ADJUSTMENTS: | | | | | |
| 14.A SURPLUS ASSET: MISCELLANEOUS CATEGORY | | | | | \$ 0.00 |
| 14.B SURPLUS ASSET: SAFETY CATEGORY | | | | | \$ 0.00 |
| 14.C ACC-344/ACC-1520 | | | | ATTACH ADJUSTMENT NOTICES TO SUPPORT AMOUNT SHOWN. NOTE: Do not enter in this space corrections of member earnings and contributions made on Payroll Listing. | |
| | | | | DATE PAID | |
| 15. ADVANCE PAYMENT/EFT | | | | 7/17/04 | |
| 16. BALANCE DUE: (ITEM 13 PLUS OR MINUS ITEM 14A, 14B, 14C OR 15) | | | | PREPARE ONE CHECK OR WARRANT PAYABLE TO THE CALIFORNIA PUBLIC EMPLOYEES' RETIREMENT SYSTEM. | |
| | | | | | \$ 298.65 |

| FOR CALPERS USE ONLY | | | |
|--------------------------------|-------------|---------|------------------------------|
| Control No. and Business Month | 100% Change | Audited | Remittance Amount |
| | | | \$ |
| | | | 17. Date Paid |
| | | | 18. Previous Document Number |

PERS-AESD-626 (12/00)

WHITE AND GREEN COPIES TO SYSTEM, RETAIN PINK FOR YOUR FILES.

00 49333

NOTICE OF ADJUSTMENT, EMPLOYER CONTRIBUTIONS (PERS-ACC-344) CALPERS- INITIATED FORM

The **Notice of Adjustment, Employer Contributions** (PERS-ACC-344) is generated by CalPERS to notify an employer that an adjustment of employer contributions is necessary for the reason(s) shown.

SPECIAL INSTRUCTIONS

1. On the next payroll submitted, adjust the amount of employer contributions. If there is only one adjustment notice, enter this amount on line 14C of the **Summary Report, Member and Employer Contributions** (PERS-AESD-626). If there is more than one adjustment notice (PERS-ACC-344 and/or PERS-ACC-1520), enter the net adjustment on line 14C of the Summary Report.
2. Return the original adjustment notice(s) along with the Summary Report to substantiate the adjustment amount shown on line 14C.

3. If the adjustment results in a payment due to the System, you may remit the payment separately from the Summary Report. Return the original adjustment notice along with the remittance.

If you have any questions regarding a **Notice of Adjustment, Employer Contributions** (PERS-ACC-344), please contact the CalPERS Customer Contact Center at **888 CalPERS** (or **888-225-7377**).

NOTE:

The percentage entered in the "Rate" box is the employer contribution rate in effect at the time the **Notice of Adjustment, Employer Contributions** (PERS-ACC-344) is prepared, regardless of the service period in which the compensation is actually earned.

PERS-ACC-344

STATE OF CALIFORNIA, BOARD OF ADMINISTRATION
PUBLIC EMPLOYEES' RETIREMENT SYSTEM
400 P STREET, P.O. BOX 1982, SACRAMENTO, CA 95809-1982

NOTICE OF ADJUSTMENT
EMPLOYER CONTRIBUTIONS
PERS-ACC-344 (5/92)

PERS INITIATED FORM



FOR PERS USE ONLY

FOR INFORMATION CONCERNING THIS FORM, REFER TO THE MATERIAL ON THE NOTICE OF ADJUSTMENT, EMPLOYER CONTRIBUTIONS FOUND IN THE PAYROLL REPORTING SECTION OF THE PROCEDURES MANUAL (PERS-ADM-00-430)

SECTION 830
MEMBERSHIP DIVISION
TELEPHONE (916)

| | | |
|----------------|--------------------------|--------------|
| DATE: | ATTN: ACCOUNTING OFFICER | No. PA 42964 |
| EMPLOYER CODE: | EMPLOYER NAME: | |

DETAIL OF ADJUSTMENT

| | | | | |
|--------------|-------------------------|----------|------|----|
| MEMBER NAME: | SOCIAL SECURITY NUMBER: | DATE(S): | FROM | TO |
|--------------|-------------------------|----------|------|----|

CHARGE

- ☐ ARREARS CONTRIBUTIONS *
- ☐ MILITARY CONTRIBUTIONS
- ☐ OTHER

CREDIT

- ☐ NON-MEMBER EARNINGS REPORTED AS MEMBER EARNINGS
- ☐ LUMP SUM VACATION PAYMENT
- ☐ EARNINGS CHARGEABLE TO ANOTHER AGENCY
- ☐ OTHER

EMPLOYER CONTRIBUTIONS

| COVERAGE GROUP | RATE | MEMBER EARNINGS | CHARGE | CREDIT |
|----------------|------|-----------------|--------|--------|
| | % \$ | | \$ | \$ |

YOUR EMPLOYER CONTRIBUTIONS SHOULD BE ADJUSTED BY THE AMOUNT SHOWN ABOVE ON YOUR NEXT REMITTANCE TO PERS. ENTER THE AMOUNT OF THE ADJUSTMENT IN ITEM 14 OF THE SUMMARY REPORT (PERS-ACC-626). AMOUNTS DUE PERS (CHARGES) MAY BE REMITTED SEPARATELY, IF DESIRED. IN ALL CASES, RETURN THE ORIGINAL OF THIS FORM AT THE TIME THE ADJUSTMENT IS MADE.

FOR PERS USE ONLY

| EMPLOYER CODE | DATE STAMP | CONTROL NO. | BUS. MONTH | MEMBERSHIP | ACCOUNTING |
|---------------|------------|-------------|------------|------------|------------|
| | | | | | |

NOTICE OF ADJUSTMENT (PERS-ACC-1520) CALPERS-INITIATED FORM

The **Notice of Adjustment** (PERS-ACC-1520) is generated by CalPERS to notify an employer that an adjustment of contributions is necessary for the reason shown and/or the required certification signature was not present on the **Summary Report** (PERS-AESD-626).

SPECIAL INSTRUCTIONS

1. On the next payroll submitted, adjust the overpayment or underpayment amount. If there is only one adjustment notice, enter this amount on line 14C of the **Summary Report, Member and Employer Contributions** (PERS-AESD-626). If there is more than one adjustment notice (PERS-ACC-344 and/or PERS-ACC-1520), enter the net adjustment on line 14C of the Summary Report.
2. Return the original adjustment notice(s) along with the Summary Report to substantiate the adjustment amount shown on line 14C.
3. The "Remarks" section provides instructions to the employer or refers to an attached corrected "Summary Report" to explain the adjustment.

4. If the adjustment results in a payment due to the System, you may remit the payment separately from the Summary Report. Return the original adjustment notice along with the remittance.

If you have any questions regarding a PERS-ACC-1520 notice, please contact the CalPERS Customer Contact Center at **888 CalPERS** (or **888-225-7377**).

NOTE:

The Notice of Adjustment is sent to an employer after the **Summary Report** (PERS-AESD-626) has been processed and payroll information is posted to the members' accounts. The only way an error in the member's account can be corrected is through an adjustment entry on the Payroll Listing. Please do not attempt to adjust a member's account using line 14C of the Summary Report.

PERS-ACC-1520

STATE OF CALIFORNIA, BOARD OF ADMINISTRATION
PUBLIC EMPLOYEES' RETIREMENT SYSTEM
400 P STREET, P.O. BOX 1982, SACRAMENTO, CA 95809-1982



NOTICE OF ADJUSTMENT PERS-ACC-1520 (11/94)

PERS INITIATED FORM

FOR INFORMATION CONCERNING THIS FORM, REFER TO THE MATERIAL
ON THE NOTICE OF ADJUSTMENT FOUND IN THE PAYROLL REPORTING
SECTION OF THE PERS PROCEDURES MANUAL

| | | |
|------------------------|--|----------------|
| DATE 4/5/2005 | RETIREMENT PROG. ACCT. FISCAL SERVICES DIVISION TELEPHONE (888)CalPERS (225-7377) | |
| EMPLOYER CODE: 0000 | EMPLOYER NAME: City of Wagonwheel | Office Code |

() A. An adjustment has been made on your Summary Report, PERS-ACC-626, covering the 04/05/0 period for the reason(s) shown:

- () 1. Computation error
- () 2. Employer rate error:
- () 3. Member earnings as reported on your payroll do not agree with the member earnings shown on your Summary Report.
- () 4. Member normal contributions as reported on your payroll do not agree with the member normal contributions shown on your Summary Report.
- () 5. Tax deferred member contributions as reported on your payroll do not agree with the tax deferred member contributions shown on your Summary Report.
- () 6. Survivor/additional contributions as reported on your payroll do not agree with survivor/additional contributions shown on your Summary Report.
- () 7. Other:

() B. The amount you remitted does not agree with the Balance Due (Item 16) on your Summary Report, PERS-ACC-626, covering the 04/05/0 service period.

| | | |
|--|-----------|----------------|
| BALANCE DUE (ITEM 16) AS ADJUSTED | \$ | 5697.03 |
| AMOUNT REMITTED | \$ | 5727.03 |
| LESS VOUCHERS | | |
| OVERPAYMENT | \$ | 30.00 |

() C. Your Summary Report, PERS-ACC-626, covering the 04/05/0 service period did not contain the required certification signature.

REMARKS: See Summary copy attached. In order for you to resolve discrepancies which affect your member earnings and/or contributions, you will need CalPERS 'edited payrolls' for the indicated service period. Please contact (888) CalPERS (225-7377) to request microfiche copies of your payroll.

*Overpayments or underpayments should be adjusted on next Summary Report. Enter the amount of the adjustment as Item 14.C. You may remit underpayments separately, if desired. **IN ALL CASES, the Original Notice of Adjustment must be returned at the time the adjustment is made.**

PAYMENT OF CONTRIBUTIONS USING ELECTRONIC FUNDS TRANSFER (EFT)

NOTE:

Beginning with the July 2011 payroll reporting period and forward, the AESB 626 will no longer be used to submit contributions to CalPERS. To submit contributions follow the directions as indicated per Circular Letter 200-026-11. Be advised that if sending via EFT, your agency must send one EFT for each rate plan (formerly known as Coverage Group).

Electronic Fund Transfer (EFT) is a method of instructing financial institutions to electronically transfer money from one account to another, eliminating the use of paper checks. Transfers are initiated by voice (by phone) or by using the online payment service at **www.calpers.ca.gov**.

CalPERS is offering EFT payment services for the most common and repetitive payments. These are retirement contributions and health premium payments. With EFT payments, you may expect to benefit from a reduction of manual paper processing and the associated errors. You will also reduce costs associated with check processing, reconciliation, and postage, as well as assuring the date your payment is received.

If you have questions regarding the CalPERS EFT program, you may call the Cashier Unit from 8:00 a.m. to 4:00 p.m. at (916) 795-7768, or write to the following address:

CalPERS

Fiscal Services Division, Cashier Unit
P.O. Box 942703
Sacramento, CA 94229-2703

CalPERS does not have access to your bank account without your authorization by the ACH Debit process for each payment. Funds can only be transferred to CalPERS for the specific purpose and dollar amounts you request and initiate.

HOW FUNDS ARE TRANSFERRED

Funds are transferred through an Automated Clearing House (ACH) Debit. The Automated Clearing House is a partnership of financial

institutions established to exchange funds electronically between participants. The ACH debit method allows you to transfer funds by authorizing CalPERS to electronically debit a bank account you control for the amount you report via the CalPERS Web site to the CalPERS Data Collector.

The information you are requested to provide will identify you, the purpose of the payment, and the amount. If you authorize a payment before 3:00 PM Pacific Time, it will be withdrawn from your bank account and deposited into a CalPERS account the following banking day. Two banking days from your settlement date, payment identification is downloaded into the CalPERS accounting system crediting your agency with a payment.

Please make allowance for this time period when reviewing the date your payment is due and determining your settlement date.

Example: If your payment is due Monday, March 10th, you must have a settlement date by Thursday, March 6th. Then, the payment will be credited in the CalPERS accounting system on Monday, March 10th. Please remember to calculate additional time for bank holidays.

Cost — CalPERS pays the cost for you to report an ACH debit transaction. A toll free telephone number is provided for this service. The toll free number is (800) 554-7500.

Security — The generic four digit security code of "0000" will allow you first time access to the system. At that time you will be given the opportunity to change the security code to a numeric code of your choice. Retain this security code in your records, it will be the security code you use when reporting your payments thereafter. You may change your security code at any time.

Verification Code — This code is a mathematical calculation that will be requested to ensure the accuracy of the amounts being remitted. Your calculated verification code must match that generated by the system in order for the transaction to be completed.

Note: Calculation of the verification code will not identify transposed numbers. The calculation follows:

Example: Assume a payment of \$75,150.55

- a. Total all digits in the payment
 $7+5+1+5+0+5+5=28$
- b. Count the number of digits in the payment
 $7,5,1,5,0,5,5 = 7$
- c. Add a+b. In this example, the verification code is 35 (28+7)

EFT PROGRAM ENROLLMENT

An **Enrollment Authorization Form** must be completed and signed for each employer transferring funds to CalPERS. If you are transferring funds on behalf of other employers you must obtain a separate authorization for each entity. County Offices of Education are considered a single entity for CalPERS reporting purposes. If you pay both retirement contributions and health premiums, a single Enrollment Authorization is sufficient for both payment types.

To obtain a copy of the **Enrollment Authorization Form**, please visit the CalPERS Web site at www.calpers.ca.gov.

Following your registration for EFT, CalPERS, in cooperation with the Data Collector, will conduct a pre-note (pre-notification) test to validate your bank account and bank routing transit numbers. This test uses a zero-dollar amount and will be conducted at least ten days prior to the first initiation of an EFT payment.

After successful pre-note testing, you will be sent an authorization letter informing you of your eligibility to participate. Please do not attempt to transfer funds until you have received your authorization letter.

Upon enrollment in the CalPERS EFT Program we prefer you use this method of payment exclusively for retirement contributions and health premiums. If you wish to withdraw from the program, please notify CalPERS in writing.

ELECTRONIC PAYMENT SERVICES

CalPERS offers two electronic payment services you can use to make and manage your retirement contribution and health premium payments — Online (by a secure Web service) or Interactive Voice (by phone).

Electronic payment services let you transfer funds from your agency's checking account directly to our bank — safely, securely, and easily. Plus, they are easy to use, simple to get started, and have no cost.

- Save time and money — no postage costs and no worries about lost or stolen checks.
- Control your payments — schedule in advance the exact date and time your payments are dispersed.
- Eliminate any penalties or assessments due to missed payment deadlines.
- Any location, at any time — all you need is Internet access or touch-tone phone.
- Registration is simple — one form does it all for both Interactive Voice and Online services.

ONLINE PAYMENT SERVICE

This secure Web solution offers real time access, tracking of your payment transactions, and control and flexibility.

- Security — all payment information is encrypted using "Verisign" technology.
- Accuracy — review, modify, or cancel a payment anytime before settlement.
- Convenience — payment history is just a click away. Payment amount, settlement date and time, and more can be reviewed, sorted, printed, and used for validation or accounting reports.
- Productivity — use the same PIN for either the Interactive Voice or Online services. There are also online FAQs and live phone support if you need assistance.

INTERACTIVE VOICE PAYMENT SERVICE

This payment option makes your time on the phone productive. Never wait for an operator — just dial and start your transaction.

- Flexibility — services can be reached through any touch-tone phone.
- Efficient — just follow the voice prompts to quickly move through the service.
- Speed — the structured options are easy to navigate.

ELECTRONIC PAYMENT SERVICE REGISTRATION

If you are currently using our Interactive Voice direct payment option, you're already set to use the Online option. There is no additional authorization or security needed. Log into the Online Payment Service at **www.calpers.ca.gov** and input your same PIN — and get started!

To get started making electronic payments, print out and complete the "Electronic Payment Service Registration" form. Send the form, along with a "voided" check to the address indicated on the form.

Once we complete a test transaction (using a zero dollar amount), we'll send you a letter confirming your completed registration, along with easy to follow instructions and a start-up PIN (security code). For your protection and privacy, you'll be required to change your PIN the first time you use the service.

If you are using ACES to transmit your payroll listing and our electronic payment service, you may fax your Summary Report to (916) 795-1523 or transmit your Summary Report using ACES. If you are not using ACES, you can still use the Online or Interactive Voice payment services. You will still need to mail/fax us your Summary Report in order to meet the requirements for complete reporting.

Want to know more? Visit the CalPERS Web site at **www.calpers.ca.gov** or contact a CalPERS representative by calling **888 CalPERS** (or 888-225-7377).

HOW TO MAKE A PAYMENT

WHO TO CALL

You will communicate to the Data Collector through voice or touch tone dialing. The toll free number is (800) 554-7500. If you choose voice, an operator will prompt you through the script and request specific information needed to process your payment.

If you use the touch tone method, a pre-recorded script will prompt you in a similar manner and request specific information.

REQUIRED INFORMATION

You will be asked to report the following information:

Agency Code — You will be requested to choose the state agency you wish to pay.

Employer Code — You will be asked to enter your CalPERS 4-digit employer code.

Security Code — A 4-digit code you designate when you communicate your first payment.

Payment Type — You will be asked to select retirement contributions or health premiums. After you have made one type of payment you will be offered an opportunity to pay the other type for the same employer.

District Code — For Health payments only. You should enter 000 unless your invoice shows an actual District Code Number. An actual District Code Number has been assigned to certain public agencies that remit multiple health payments.

Month & Year — This is the month and year to which you intend to apply the payment. For retirement contributions this will be the payroll service period month and year that appears on your Summary Report of Member and Employer Contributions (AESD-626), for health payments it will be the invoice month and year.

Payroll Type — This information is only for retirement contributions. This is the same payroll type number that will be reported on the **Summary Report of Member and Employer Contributions** (PERS-AESD-626) for which the payment is to be applied.

Amount — The dollar amount, including cents, you intend to transfer. Do not include commas or decimals when reporting this amount.

Verification — A number to validate the amount you intend to transfer.

Transaction Effective Date — You are provided the option of choosing a future date for your payment to be transferred to CalPERS. This choice is optional; if left blank, your payment will be transferred the next banking day.

CONFIRMATION

Please remember it will take two banking days after the settlement date for the payment identification information to be downloaded into the CalPERS accounting system crediting your agency with a payment. Please schedule your settlement date at least two banking days before the due date of your retirement or health payments.

When you complete the transaction, the data collector will provide a reference number that confirms the reporting of your payment information. Retain this number for future reference in the event you wish to cancel or investigate a transaction.

PAYROLL EARNINGS AND HEALTH PREMIUM REPORTS

Your retirement EFT payment must be placed on line 15A (advance payment) of the Summary Report and noted as EFT. Your health premium EFT payment must be placed in the box "Amount Due" and noted as EFT on form HBP-020-05. Noting EFT next to the payment amounts on these reports will assist the CalPERS staff with matching your payment with the correct report.

CANCELLATIONS AND INQUIRIES

You may cancel or inquire about a reported transaction if you call the data collector before 2:00 p.m. Pacific Time the same day the transaction was reported. When you choose to cancel or inquire of a previously reported transaction, you will be transferred to a voice operator for assistance. The reference number originally assigned to the transaction will be requested.



Departmental Use Only

Receipt Date

Registration Date

**FISCAL SERVICES DIVISION -
ELECTRONIC FUND TRANSFER (EFT) AUTHORIZATION AGREEMENT**

Please check **all appropriate boxes**:

- ☐ New EFT Participant
☐ Will pay retirement contributions via EFT
☐ Will pay health premiums via EFT
☐ Change Bank Account
☐ Change Contact Name and/or Telephone Number

SECTION I: PUBLIC AGENCY INFORMATION**INSTRUCTIONS:**

- The CalPERS Employer code is the same identification code reported to CalPERS on the Summary of Retirement Contributions Report (**PERS AESD-626**) or the Health Benefits Public Agency Billing System, Monthly Billing Invoice (**HBP020-05**).
- If you pay the retirement contributions or health premiums for more than one employer, a separate Electronic Fund Transfer Authorization Agreement form must be submitted for each employer.
- Please provide the name and phone number of an EFT contact person that is able to answer payment questions.
- Call (916) 795-7768 for assistance

| | | |
|---|--|--|
| Public Agency Name | | CalPERS EMPLOYER CODE <div style="border-bottom: 1px solid black; width: 100px; margin: 0 auto;"></div> |
| Mailing Address (Number, Street, Box Number) | | Phone Number () |
| Mailing Address (City, State, Zip) | | |
| EFT Contact Person | | Phone Number () |

SECTION II: BANK INFORMATION**INSTRUCTIONS:**

- ☐ You may return your completed form by mail or via fax. **Please send us a voided check** with your completed Enrollment Authorization Form **or** a copy of a blank check marked void if you use a fax. Your check will provide verification of your bank account and routing transit numbers.

Upon the transmission of transaction information and verification by Accountholder, California Public Employees' Retirement System is hereby authorized to initiate debit entries for such transaction to the bank account identified below and the bank is authorized to debit such account. This authorization is to remain in full force until either party to this agreement terminates it by providing the other party with 30 days written notice.

| | | |
|--|------------------------|------|
| Bank name | | |
| Bank Address | | |
| Bank Account Number | Routing Transit Number | |
| Type of account <input type="checkbox"/> Checking <input type="checkbox"/> Savings <input type="checkbox"/> Other (Explain) | | |
| Signature | Title | Date |

Use the **sample check** below to locate the bank account and routing transit numbers.

| | |
|---|---|
| ABC Business 1234 Park Avenue Anytown, CA Pay to the order of \$ XXXX Dollars Anywhere Bank U.S.A. Memo Not Negotiable I:133404567 I:1234561304 III 1044 | 1044 1. Routing Transit Number (requires 9 digits) 2. Bank Account Number (not to exceed 17 digits) 3. Check Number |
|---|---|

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When you have returned your completed authorization form and voided check we will go through a setup and testing process. After verifying a successful setup you will receive a confirmation letter. Simple instructions for use of the electronic funds transfer system will also be included.

Call (916) 795-7768 for assistance

Return to: **California Public Employees' Retirement System**
 Fiscal Services Division-Cashier Unit
 Attn: **Darrel Veitenhans**
 P.O. Box 942703
 Sacramento, CA 94229-2703

Or return by fax to: **fax number (916) 795-7901**

PAYROLL DISCREPANCIES

PAYROLL UNKNOWN DISCREPANCIES

CalPERS maintains a membership record for each member. The membership information in each payroll entry is compared with the information already on file. If there is no match, we have what is called a payroll unknown discrepancy.

Some possible reasons for a payroll unknown discrepancy are:

- The employee was reported on the payroll report before a PERS-AESD-1 or appointment was made via ACES to establish membership.
- Membership was established with one Social Security Number and a different one was reported on the payroll report.
- Membership was established with one coverage group and a different one was reported on the payroll report.

SERVICE CREDIT DISCREPANCIES

The maximum amount of service credit reportable for each frequency is displayed in the section titled "Pay rate/Earnings Relationship — Maximum Service Credit Amount." If the member would receive more than the maximum service credit allowable, a service credit discrepancy is generated.

Some possible reasons for a service credit discrepancy are:

- Compensation, such as overtime, was included in the entry, but should not have been reported.
- Compensation, such as special compensation, a Retroactive salary increase or a mid-service salary increase, has been included in the entry. These items of compensation should have been reported separately.

CONTRIBUTION DISCREPANCIES

With the membership information on file and the earnings shown in the payroll entry, CalPERS will calculate the amount of contributions that should have been reported. If the calculated amount of contributions differs from the contributions that were reported, a contribution discrepancy is generated.

Some possible reasons for a contribution discrepancy are:

- The member was reported under a wrong coverage group.
- The earnings were reported incorrectly.
- An incorrect member contribution rate was used.
- A mistake was made in calculating the member contributions.
- A mistake was made in applying the Social Security modification factor.

NOTE:

Failure to resolve these discrepancies in a timely manner could result in members losing interest on their contributions, incorrect Annual Member Statements, and incorrect or delayed benefits that may be payable to these members. Also, note that the data submitted on the payroll reports, whether correct or incorrect, is used by CalPERS actuaries to determine the employer's contribution rate. Inaccurate or incomplete data may have an adverse effect on this rate.

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